The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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SATURDAY, MAY 14, 1932 VOLUME 60, NUMBER 11

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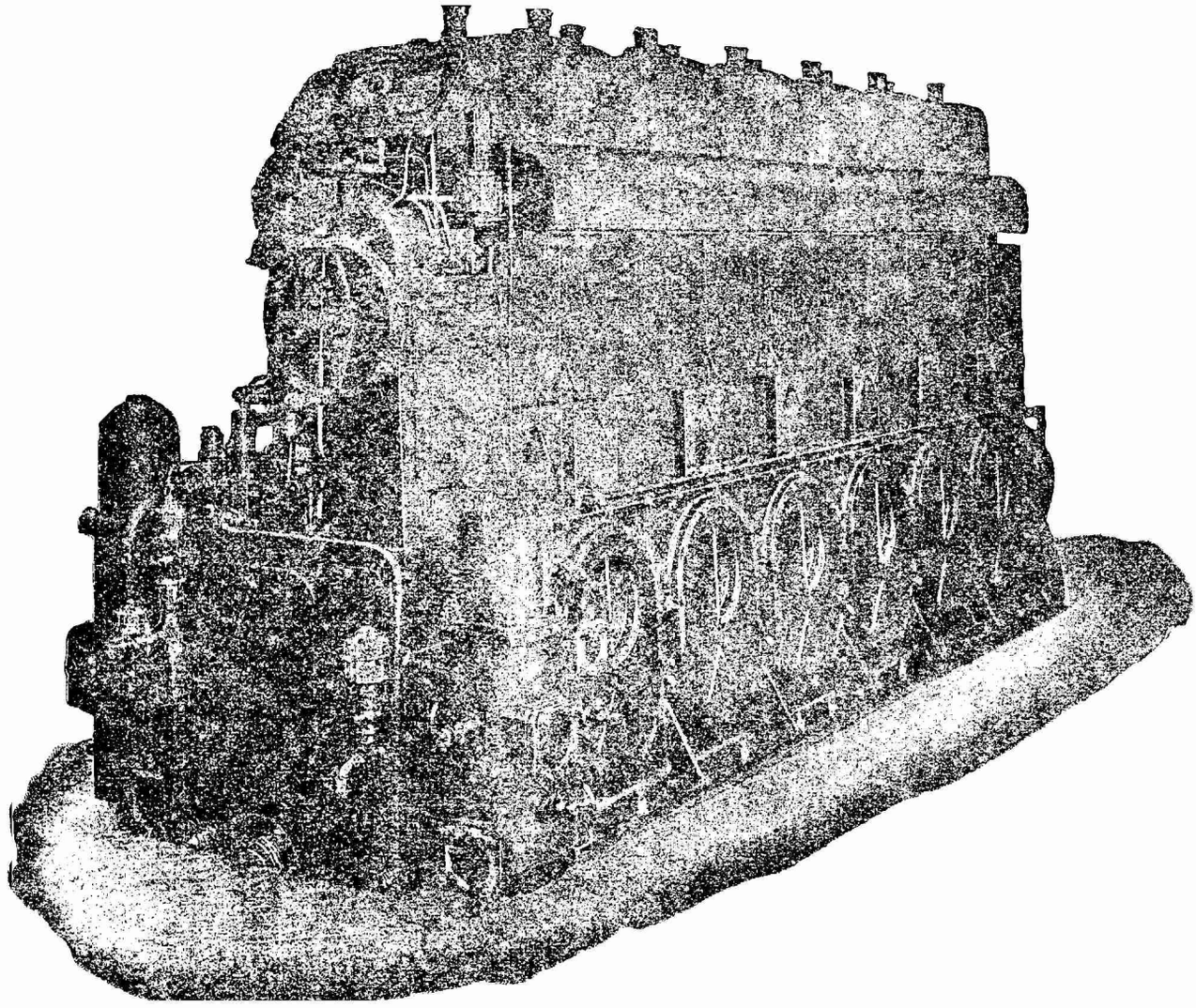

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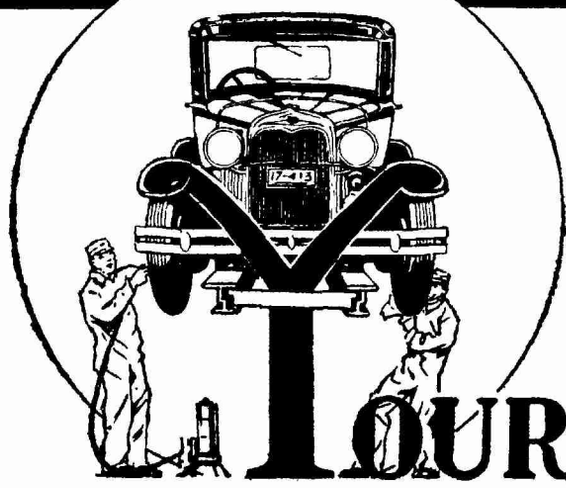

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The China Weekly REVIEW

Formerly Millard's Review

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CONTRIBUTING EDITORS

C. Y. W. MENG — DANIEL J. LEE
S. C. YANG (Harbin) — CHANG YA-CHUEN
MARK M. LU (Honan) — FLORENCE WONG (London)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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WASHINGTON OFFICE
J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

JAPANESE INTERFERENCE WITH MAIL AT NEWCHWANG

FOR many years *The Review* has mailed a copy of its weekly issues to the Customs Club at Newchwang, Manchuria, the club being composed chiefly of foreign and Chinese customs employes but also including other residents of the city. Some two months ago the secretary of the club wrote to *The Review* complaining about non-receipt of the paper. An inspection of the mailing lists showed that the address was written correctly and that the paper was delivered regularly to the Chinese Post Office in Shanghai for forwarding to Newchwang. In order to get at the bottom of the trouble, a number of copies of *The Review* were forwarded to the secretary of the club by registered mail, the secretary, who is a foreigner, being notified to this effect. In due course the secretary of the club replied, stating that he had called at the Newchwang post office, presented the receipt and asked for the papers. The Chinese postal official, after some hesitation admitted that the papers had been received but could not be delivered. When pressed for an explanation the Chinese postal clerk indicated a Japanese policeman or gendarme who actually was holding the missing copies of *The Review* in his hand. When the Japanese was asked to hand them over to the subscriber, he refused even to hand over the wrappers which the secretary of the Newchwang Club demanded. Now *The Review* is in receipt of a letter from the Chinese Post Office at Shanghai, dated May 7, which reads as follows:

> "We beg to inform you that your registered paper, No. 6677 which you mailed on April 16, 1932, addressed to the Hon. Librarian, Newchwang Customs Club, Newchwang, has been held up by the local Newchwang Post Office. We have been informed to this effect by the officials of the Newchwang Post Office."

Enclosed with this letter was one of the wrappers from the copies which had been mailed under registered mail. Comment on the foregoing is unnecessary, but it constitutes unmistakable proof of Japanese interference with the Chinese Government mail service in Manchuria. For many weeks following the Japanese occupation of Mukden last September, Gen. Honjo stationed six Japanese mail censors in the Chinese Government Post Office in that city and it was

generally known in Mukden that the censors had access to all mail. However, due to protests of the foreign consuls, the Japanese censors did not detain any foreign mail although it was suspected that mail belonging to foreigners and foreign firms in Mukden was being opened and delayed. According to report the mail situation in Manchuria, due to Japanese interference has become so serious that few persons trust important communications to the Chinese Post Office but send their mail out to Tientsin by private messenger for posting in that city. The question of interference with government mail services is supposed to be covered by international postal agreement to which Japan is a party, but apparently the Japanese have no more regard for this agreement than they have for other treaties and agreements which their official representatives have signed.

LEAGUE COMMISSION AS "HONJO'S FORWARDING AGENCY"

INTEREST in the movements of the League Commission of Enquiry in Manchuria has dwindled considerably since the issuance of the preliminary report which made it evident that the Commission's sources of information were limited to what the Japanese military authorities supplied them with. The situation was succinctly stated by the *Manchester Guardian* in an editorial May 5 in which it was stated that the "Lytton Commission's sole function hitherto has been to act as a forwarding agency for the Japanese military authorities in Manchuria. The *Guardian*, referring to the fact that the preliminary report of the Commission consisted entirely of information from Japanese sources concerning the number and disposal of the Japanese troops in Manchuria, rather sarcastically commented that this information could just as well have been sent to the League of Nations direct by General Honjo.

Dr. W. W. Yen, China's chief delegate in Geneva, commenting on the Lytton report, told *Reuter* "that Japan is not only not carrying out the Council's resolution of December 10 providing for the withdrawal of troops into the South Manchuria railway zone but also she is preventing China from carrying out her obligations under the same resolution—namely the assuming of responsibility for the safety of the lives and property of Japanese nationals outside the railway zone as the Japanese troops withdraw." Turning to the military activities of the Japanese troops Dr. Yen said, "The Japanese have always declared that their military operations in Manchuria have been against bandits but the Lytton report reveals that their operations are now directed against organized Chinese forces combating the troops of the Manchukuo Government."

The League Commission, while at Changchun, (the capital of the new State) on May 4 and 5, paid a visit to Mr. Tashiro, the Japanese Consul, who gave details concerning the Korean farmers in Manchuria, railway questions and other important questions at issue in Manchuria. Consul Tashiro, after the conversations, told press representatives that the Wanpaoshan incident had been the chief item of the conversations. The ex-Emperor Hsuan Tung, now chief executive of the Manchukuo Government, received Lord Lytton and his colleagues on the League Commission May 5. "Mr. Pu Yi" subsquently entertained the Commissioners at luncheon. Lord Lytton and his party also had interviews with General Hsi Hsia, Minister of Finance and one of the leading members of the Manchukuo Government and Mr. Komai, a Japanese official connected with the new regime.

The Commission arrived at Harbin May 9, having in the meantime made a visit to Kirin.

Tokichi Tanaka, the former Ambassador to Moscow, who has been on an extensive investigation trip in Manchuria by the Government's order, on arriving in Kobe May 7 on his way to Tokyo in an interview mentioned that at present bandits and other lawless elements are prevalent everywhere in Manchuria. He said he did not know when the Japanese Government would formally recognise the new Manchukuo, but it would be advisable to do so after the foundation of the new Government had been stabilized a little more.

The Manchukuo government end of last week formally agreed that Dr. Wellington Koo, Chinese assessor to the League of Nations Commission of Inquiry, might enter Manchukuo territory on condition that he respects its sovereignty. The warrant for Dr. Koo's arrest issued at the time the Commission was in Peiping when the authorities sent a formal notification from Changchun to Nanking that Dr. Koo could not enter Manchurian territory, has been revoked.

DISARMAMENT PROCEEDINGS VEERING TOWARDS DEADLOCK

AN editorial in the *Journal de Geneve* May 5 expressed fears that the Disarmament Conference was rapidly drifting towards a deadlock—an opinion that will probably be voiced by everybody who has kept track of the proceedings. This well-informed Swiss paper, commenting on the fact that the Disarmament Conference had adopted an unequivocally worded resolution in favor of the abolishment of aggressive weapons and then charged the experts with the task of defining that term, says: "In 1919, in Paris, the experts needed only 48 hours to arrive at a conclusion as to what constituted the aggressive weapons which Germany should not be permitted to maintain. In 1932, in Geneva, it would appear as if the successors of those experts will reach the conclusion that there is no such thing as an aggressive weapon." The old question of what constitutes an offensive or defensive weapon was discussed by the naval committee May 4. When the subject of submarines came up Charles Dumont, former Minister of the Navy in France, declared that the primary raison d'etre of submarines is the defense of coasts liable to be threatened by powerful enemy fleets. They can also serve as protective convoys from continent to continent, he said. The speaker continued: "It is necessary to have submarines of a certain strength and radius of action. As for the question as to whether or not the submarines are weapons of offense or defense, I believe that they can be one or the other dependent on the role assigned to them, or even the position they occupy in battle."

Great Britain had initiated the discussion by suggesting the abolition of submarines as offensive weapons. The naval committee having failed to reach a decision on submarines, the question of mines was then tackled. The British delegate said that Britain was in favor of the abolition of "contact mines" in the open sea if submarines were also abolished. The Italian representative declared that if submarines were abolished, capital ships should also be abolished. The Polish delegates said that the submarine was the only defensive arm against superior naval strength, but added that his country was prepared to follow the example of the principal signatories to the London Naval Treaty in this matter.

Senator Swanson, denouncing submarines said that the United States would establish a powerful submarine base in the Philippines if submarines were not competely abolished.

It will be noted that each nation, generally speaking, is urging the limitation or abolition of weapons which are of more value to other nations than to its own.

In the United States Senate strenous discussions took place last week on the subject of whether America should build up its navy to full treaty limits. Senator Hale demanded a navy "strong enough to keep us out of war." Referring to the "melancholy spectacle in the Far East," Senator Hale said: "The treaties in which we have placed such implicit trust have utterly failed in their immediate effect and, with their prestige damaged, they cannot be relied on with any degree of safety in the future." Senator Hale warned Japan that the undertaking of the United States not to strengthen her naval fortifications in the Pacific was based on treaties guaranteeing the territorial integrity of China and the Open Door policy.

Senator Borah opposed the Hale bill which is intended to build the American fleet up to treaty strength. He gave warning that the approaching Lausanne Conference on war debts and allied matters is likely to fail, for which reason he urged settlement of the reparations problem, reduction of armaments, and restoration of silver to values prevailing prior to 1925. Senator Borah said that a return to prosperity without these moves is impossible.

The Senate later passed the Hale Bill, endorsing a policy of building the U. S. Navy up to treaty limits, but carrying no appropriation for the purpose.

American Newspapers Press For Rapprochement With U.S.S.R.

The Scripps-Howard newspapers continue to publish articles urging the establishment of normal relations between the United States and the Soviet Union. They state that such relations would serve as an effective check to further Japanese aggression. Mr. Simms, editor of the foreign department of the Scripps-Howard papers, writes that a rapprochement between the two countries in any form would lessen the danger of war as it would indicate to Japan that the United States are not in favor of warlike tendencies towards Siberia. "At the present moment," says Mr. Simms, "Japan has every reason for believing that the United States will in one way or another support such tendencies." The writer asserts that the interests of the United States and the U.S.S.R. in the Far East are much more mutual than the interests of the United States and any other country.

SOVIETS READY TO DEFEND THEIR BORDERS

THE Soviets continue their policy of baiting the Japanese. Commander-in-chief Blucher of the Soviet Far Eastern Army, in a speech at Habarovsk in connection with the May Day celebrations, declared that "jets of flame of real war are already beginning to leap not far off our borders." "We know," Commander Blucher said, "that the capitalist world is ready to fight, and that in the first place it is ready to strangle the Soviet Union which it hates." The speaker expressed his firm conviction that the fighters of the Soviet Far Eastern Army, who are mastering the various and latest technical armament, are prepared at any moment to rise in defence of the borders of the U.S.S.R. and do their utmost to ensure "that not a single foreign foot dares to trample the collective fields of the country." "We do not desire war," said Commander Blucher in conclusion. "War is not our aim. We do not need it. Our only desire is to build our socialist economy and to see that no one interferes with it."

The Japanese Embassy at Paris has refused to visa the passports of White Russians, including a "very eminent figure," desiring to enter Manchuria through Japanese territory. The Japanese Foreign Office has cited this as indicating the attitude of Japan towards White Russians and refuting the Soviet allegations that the Japanese are assisting them.

Moscow is excited over reports from Habarovsk that over 100 Soviet citizens had been arrested by the Harbin police on false and provocative charges, and that they are being subject to the vilest tortures by White Guard policemen in the service of the Chinese police. One of the methods of torture being employed is the pouring of a tobacco solution through the nose of the victim. It was alleged that one Gaiduk, an employee in the management of the Chinese Eastern Railway, and the wife of one Ovchinnikov, another employee, were subjected to this torture, while many of those arrested had been put in irons. Most of the arrests, it is alleged, were made by Japanese gendarmes, who first of all submitted the prisoners to a preliminary examination in the cellar of the Japanese Consulate-general in Harbin. Thereafter they escorted the prisoners to the Detective Department of the Chinese Police.

In connection with these arrests and cases of torture, M. Slavutsky, Soviet Consul-general at Harbin, has lodged a communication with the Diplomatic Commissar. He has, he states, repeatedly drawn attention to the provocative character of the activities conducted by Russian White Guards in the service of the Chinese Police, who have arrested absolutely innocent Soviet citizens and are trying to compromise both them and the official Soviet institutions. M. Slavutsky declares in his protest that these actions can only be explained as a striving to menace relations between the U.S.S.R. and Manchuria and the peace of the Far East.

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An exchange of letters between Sir Eric Drummond, League of Nations Secretary General, and Comrade Maxim Litvinoff, Soviet Commissar for Foreign Affairs at Geneva May 5 disclosed that

Soviet Russia had refused the League's request for cooperation with the Lytton Commission now investigating the Sino-Japanese differences in Manchuria. A covering note stated that the letters were published to correct "incorrect information published by the press of various countries."

Sir Eric's original letter to Comrade Litvinoff stated that Lord Lytton had confidentially asked the League to seek Russia's cooperation in the Manchurian investigation, to which the Commissar had responded negatively.

The Litvinoff letter stated that because Soviet Russia is not a member of the League and has not participated either in the examination of present events in China or the formation of the commission, it is not in a position to assure itself that the information which its representatives might furnish would receive appropriate treatment, and it could not, therefore, assume responsibility for the conclusions that the commission might reach.

WERE THEY JAPANESE DUPES OR MERE IGNORAMUSES?

DUE to publication of reports in the Japanese newspapers both in Shanghai and in Japan, the secret of the "Independent-Free-City-State" scheme is now public property. An outline of the scheme was published in *The Review* on April 30 but at that time it was not known definitely who was behind it or how far the plan had progressed. It is now known definitely that the whole plan was engineered by the Japanese, but instead of supporting it directly they caused a number of foreigners of various nationalities, including Americans, Britons, French, Italians, Germans, Austrians and Czechoslovakians to "father" the project. The question is whether the thirty-nine foreign merchants who permitted their names to be used when the plan was forwarded to Geneva, did so in the knowledge that they were acting as agents or "dupes" of the Japanese. It is understood that the local branch of the Kuomintang has obtained the list of names, hence interesting developments may be expected. According to the plan the International Settlement, French Concession and Chinese Municipality of Greater Shanghai, together with an encircling area of some twenty miles were to be amalgamated into a so-called "International Zone" which would be under foreign administration and entirely independent of China. Aside from the report in *The Review* and articles in *The China Press*, none of the local Shanghai foreign newspapers have printed a line about the plan and according to report in local newspaper circles most of the persons who wittingly or unwittingly attached their names to the secret document that was sent to Geneva, are disavowing any connection with the project. According to editorials dealing with the plan which appeared in the May 4 and 5 issues of *The Osaka Mainichi* the project was forwarded to Geneva with a proposal that the "International Free Zone" to be carved out of Chinese territory should receive a charter of complete independence from China for a period of thirty years with a condition attached that the status of the independent state could not be changed except by international action. It remained, however, for the local Japanese newspapers in Shanghai to "spill the beans" about the details of the plan, including the interesting information that thirty-nine well-known foreigners in Shanghai had attached their signatures to the document that was sent to Geneva. The local Japanese newspapers stated that the free city plan was scheduled to occupy a leading position on the agenda of the "Round-Table-Conference" which the Japanese have been promoting. The collapse of the Japanese intervention program at Shanghai and imminent withdrawal of Japanese troops has naturally blocked the entire proposal for creating an independent state at the mouth of the Yangtsze, hence the apprehension which allegedly exists among those who participated in the secret conferences wherein the scheme was formulated.

Turmoil in Manchuria Continues---Japanese Troops Transferred from Shanghai

THE news from the various war fronts in Manchuria during the week indicated that the Japanese were having a difficult time of it. At last reports General Ma Chan-san had collected an army of 40,000 men, well armed and well-equipped, which was marching on Koshan, northwest of Harbin on the terminus of the railway which runs down to Tsitsihar and then to the famous Nonni river. General Ma is stated to have supplied his troops with seven airplanes and Japanese reports indicated that an air raid on Tsitsihar was among the possibilities. General Ma, who has shown himself quite an expert in raising funds, last week cabled to Messrs. Huang Chin-yung, Wang Hsiao-lai, Wang Yi-ting, and four other Shanghai Chinese leaders asking for their support, financial and otherwise, in his avowed resistance against the Japanese forces, General Ma in his cablegrams declared that he is determined to continue the fight against the Japanese for a long period of time, but added that without the support and help of the Shanghai Chinese he cannot succeed. General Ma denied the recently circulated rumor that he was in alliance with the Soviet Russians.

It was at first reported that both Fangcheng and Sansing (Ilan) were in the hands of Japanese troops after fierce encounters with the Chinese but later it transpired that the Japanese troops were withdrawing pending the arrival of expected reinforcements. Numbers of Japanese wounded from the Sungari expedition arrived at Harbin at the beginning of the week. A radio message from Ilan (Sansing), quoted by *Kuo Min*, reported that three of the five river gunboats carrying Japanese troops to Ilan had been sunk by the Kirin Self-Defence Army at Hsingtien. It was stated that more than 500 of the enemy were drowned and a large quantity of ammunition lost.

On the eastern section of the Chinese Eastern railway the situation had also become more serious. Ashiho, only twenty miles along the line from Harbin, was occupied by anti-Manchukuo troops who are reported to have looted and burned

it. The Manchukuo cavalry which had been garrisoning Ashiho were defeated and retreated towards Harbin. According to reports from the Sungari the Japanese expedition along that river has not been so successful either as first reports had indicated.

Four Japanese soldiers were killed and one injured as the result of a dynamite explosion at Koupangtze on May 5 when they were attempting to drive off Chinese bandit soldiers who had placed the dynamite in the arsenal there.

Mr. Chu Chi, representative of Wang Te-lin, Commander-in-Chief of the National Salvation Army in Kirin, in a recent interview stated that the National Salvation Army under General Wang originally consisted to 7,000 men but since the occupation of Suifenho and the neighboring region, more than 10,000 volunteers and militia corps had joined up. In the recent attack on Imienpo station, on the eastern section of the C.E.R., 300 Japanese were slain, he said. General Wang is cooperating with the Kirin troops under Generals Li Tu and Ting Chao for joint operations along the eastern section of the C.E.R.

Fifteen Japanese who formed a party to study investment possibilities in Manchuria and Mongolia, who had left Tsitsihar on April 25 and continued their journey, were on the afternoon of May 1 attacked by some sixty bandits at a point 45 Chinese li north-east of Kannan. Three were killed instantly and another three reported the incident to the prefectural government of Kannan; four others are missing. The three who had been rescued arrived back at the Japanese Consulate at Tsitsihar safely on May 4.

A body of 500 Manchukuo troops in the Tunghwa district, south-west Manchuria, recently joined the forces opposed to the new regime in Manchuria, and began marching in the direction of Antung.

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A *United Press* telegram from Harbin May 9 stated that the Matsuye regiment under Colonel O. Nakamura had captured the walled city of Fangcheng at noon May 9. During the fighting with about 1,000 Chinese before the Japanese occupation, the Chinese were reported to have suffered heavy casualties while the Japanese suffered three killed and eight wounded. Eighteen Japanese were injured during fighting in the Moutanho area along the eastern section of the Chinese Eastern Railway. Japanese, in the Liuho area are reported endangered and the Japanese Consulate branch at Hailun has ordered all Japanese at Liuho, Huinan, Chinchuan and Tsingyuan to evacuate.

The Japanese Army headquarters at Tientsin May 9 issued a statement denying Chinese newspaper reports of a threatening situation in the Shanhaikwan area. On April 27 a Chinese was arrested by Chinese police at Shanhaikwan and later surrendered to the Japanese garrison in accordance, so it was said, with an agreement for Sino-Japanese joint suppression of bandits and volunteer troops, as he belonged to the so-called Manchuria volunteer troops. He was said to be an aide-de-camp to the commander of the volunteer army and it was stated that he confessed that his troops had attacked the Japanese frequently after March 17 in the Suichung area and destroyed railway tracks and telegraphs. Chinese subsequently demanded the prisoner's release by the Japanese, which was refused.

Reuter mentions that the Japanese military officials are continually accusing the Chinese authorities in Shanhaikuan of allowing large numbers of volunteers and quantities of munitions to enter Manchuria and the Japanese are threatening to take drastic action with a view to preventing such shipments.

In the meantime an already serious situation at Shanhaikwan has been further aggravated. A *Kuo Min* dispatch May 10 stated that the Japanese military authorities had presented a demand to General Ho Chu-kuo, Commander of the 9th North-eastern Brigade and concurrently Garrison Commander of Shanhaikwan, for the right of suppressing and arresting Chinese volunteers within an area 80 li (27 miles) west of the Great Wall. General Ho has refused to comply, pointing out that the territory demanded by the Japanese military is part of his garrison post; the Japanese military must first secure the consent of the Chinese authorities before "suppressing the bandits." General Ho's attitude is that should the Japanese proceed with their plans, they will be held responsible for the lives and properties of the Chinese inhabitants. The Japanese military units at Shanhaikwan have mounted their guns and directed them towards the walled city, while live electric wires have been placed around the Japanese barracks. More than 100 policemen of the puppet Manchukuo Government are stated to have occupied the Shanhaikwan railway station.

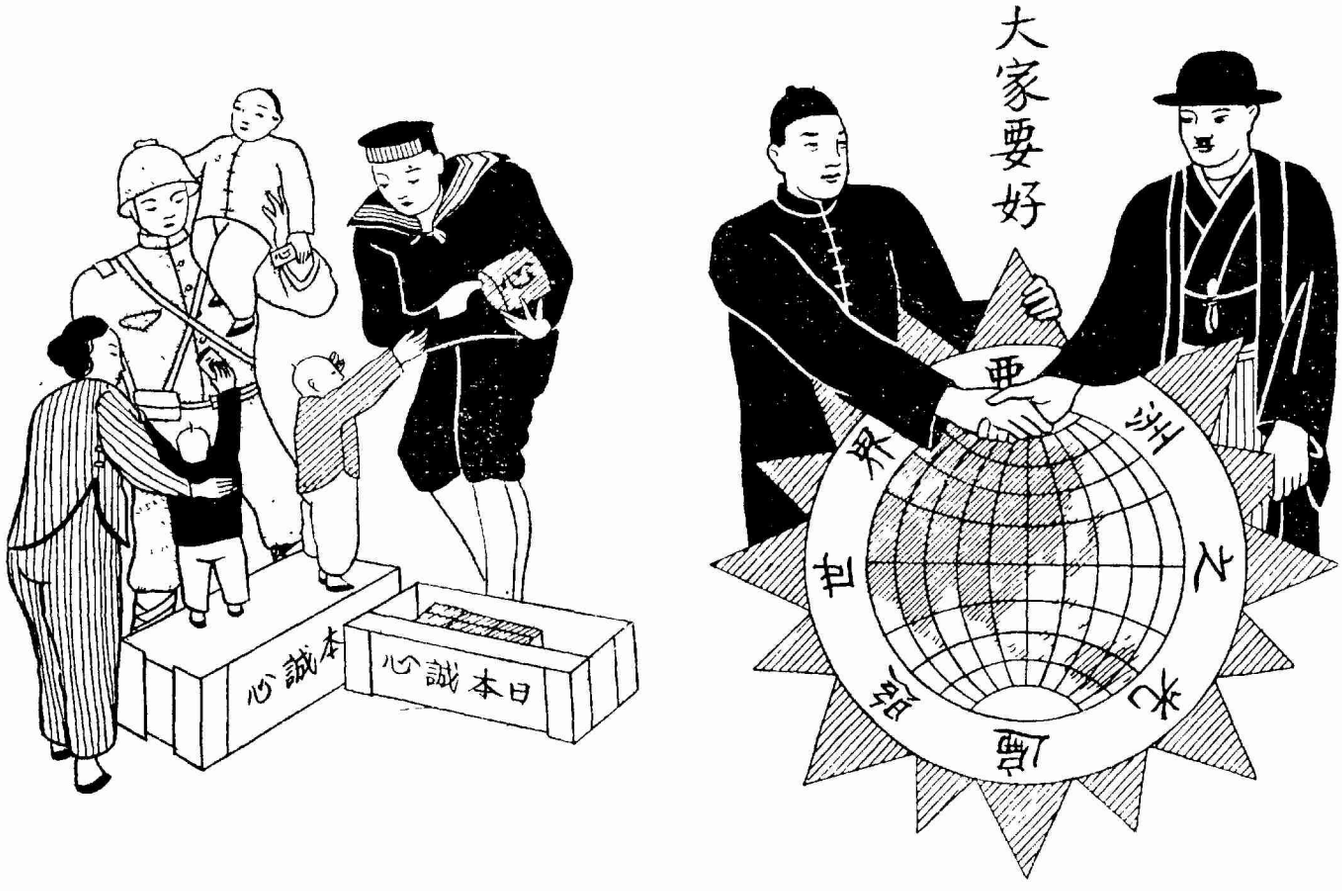
As has been intimated in the columns of *The Review* on previous occasions the probable destination of many of the Japanese troops which were being withdrawn from Shanghai would be Manchuria, and the fact that such is the case was officially confirmed by the Japanese military authorities themselves during the week. Thus a telegram from Tokyo, May 10 stated that in announcing the arrival of the main body of the 14th Division in Dairen from Shanghai, the Japanese War Office explained that the transfer of reinforcements to Manchuria was necessitated by the inadequacy of the Manchukuo police and military to cope with the increasing activities of "bandits and insurgents." These bands of insurgents, the War Office statement said, would be able with the growth of the spring foliage to conceal their movements and carry out their depredations over a greatly extended area. The arrival of the 14th Division in Manchuria means that Japan now maintains a total of six Divisions of Japanese troops in Korea and Manchuria.

The situation which confronts Japan in Manchuria was thus succinctly stated by the London *Economist* April 9: "It is one thing to occupy strategic points on railway lines by a surprise attack; it is quite another thing to police a vast country with a hostile population. And this is the Japanese crux; for, unless they can maintain at least that standard of law and order that was maintained in the three Eastern Provinces by the late local Chinese Government which they have overthrown, they will actually draw less economic profit from Manchuria than they were drawing under the previous regime, and they will lose their last remaining chance of justifying their lawless action in the eyes of the world."

The Matter of Regaining Chinese Friendship

THE Japanese community at Shanghai is now beginning to give serious attention to the matter of rehabilitation, both as regards its own position in the community and its relations with the Chinese people. In regard to the Japanese community itself, a *Press Union* report on May 10 stated that some 7,000 Japanese have now returned to Shanghai following a sojourn of several weeks in the homeland where they were forced to go on account of the recent military complications. The report admitted however, that the 7,000 odd who have returned was only about fifty percent of those who evacuated. If these figures are correct it means that between 14,000 and 15,000 Japanese were forced to depart from Shanghai on account of the trouble. And since the total Japanese population, prior to January 28, probably did not exceed 20,000, it means that three-fourths of the community was forced to go home shortly after the outbreak of hostilities. Also, it probably is safe to say that a somewhat similar situation prevailed in the other Japanese communities along the Yangtsze and in South China. Some idea of the seriousness of the situation which prevails in respect to the Japanese community in Shanghai was indicated earlier in the week when it was reported that one of the Japanese organizations was making an appeal to the Japanese government for loans approximating 15,000,000 yen for purposes of rehabilitation.

According to reports appearing in the local Japanese newspapers, there is now visiting in Shanghai a large delegation of parliamentarians who have been making an investigation of conditions in both Manchuria and at Shanghai. On May 10 the parliamentarians were entertained at the local Japanese club on which occasion Mr. Yukichi Hayashi, chairman of the Amalgamated Street Unions, explained in detail how the Japanese community had been affected by the anti-Japanese agitations and boycotts which were carried out by various Chinese organizations allegedly having the support of the Kuomintang. He declared that the Japanese residents, including businessmen, had suffered enormous losses and damages and expressed the opinion that Chinese sentiment toward the Japanese had improved but little as compared with conditions which prevailed preceding the Sino-Japanese clash. According to Mr. Hayashi, this condition exists "despite Japanese efforts to restore friendly relations between the two peoples, and even though an armistice has been signed." He emphasized that local Japanese leaders were doing everything possible to restore normal friendly relations.



The above are reproductions of illustrations which appeared on packages of matches which were distributed broadcast among the Chinese people in the occupied zones about Shanghai. Along with the illustrations appeared inscriptions in the Chinese language reading, "Asia's light shines all over the world—The two countries, China and Japan, are protectors of the Far East—United they will live, divided they will become extinct—The relations of the two countries must be restored in order to recover the prosperity of Asia. The picture showing Japanese soldiers and sailors play ing with, and handing out sweets to Chinese children contained the inscription, "Chinese children, laughing and playing, dearly love the Japanese soldiers." This is only one phase of Japanese propaganda which has been broadcasted in the occupied areas with the object of breaking down Chinese animosities toward the invading army.

As evidence that the Chinese people still harbor animosities against the Japanese, the *Press Union* reports on May 10 referred to advertisements inserted in the local Chinese newspapers by an organization styling itself the "United Federation of Anti-Japanese and National Salvation Associations," which declared that the Anti-Japanese movements in China "never will cease so long as the Japanese remain in Shanghai, Dairen, Port Arthur and other Manchurian cities." Attention also was called to the fact that the Greater Shanghai Municipal Chamber of Commerce had petitioned the National Government for an official statement concerning current reports that the recently signed Sino-Japanese armistice agreement contained "secret clauses which allegedly make political commitments favorable to the Japanese." The chamber of commerce allegedly made this request in the face of an official statement by Dr. Lo Wen-kan, Minister of Foreign Affairs that the agreement contained no political commitments whatever and only was concerned with the cessation of active warfare and withdrawal of the Japanese troops.

Just how much of this Chinese agitation against the treaty is based on genuine misgivings and how much is for political effect is not known, but that the Chinese still harbor animosities against the Japanese is obvious. The reason also is equally obvious and is apparent to everybody excepting the Japanese leaders who still profess an inability to understand the real situation. Reports from Tokyo on Tuesday of this week stated that one division of Japanese troops at Shanghai is being transferred immediately to Manchuria, but even though all the Japanese troops were withdrawn from Shanghai there would be no friendship for Japan in this land until the Manchurian situation is adjusted on terms satisfactory to China. This means the immediate cessation of fighting and early withdrawal of Japanese troops back into the zone of the South Manchuria Railway where they were stationed prior to September 18 last year.

But instead of following this policy, the Japanese war-lords in Manchuria are apparently embarking on a fresh campaign for the re-conquest of the three northeastern provinces. The Chinese are fully aware of this situation and are making plans for prolonged resistence. It is no secret that large numbers of Chinese troops in all parts of the country from Canton to Peiping are deserting and secretly proceeding to Manchuria with their subordinate officers. It is reported that this desertion of soldiers has been most pronounced among some of the units which participated in the fighting at Shanghai, the desertions taking place despite the efforts of superior officers to prevent it. That the so-called anti-Japanese movement in China has passed almost entirely out of the control of the officials of the government and has now approached the status of a "mass-movement" has long been apparent to those familiar with what is going on in the country. What is likely to come of this movement cannot be forecasted but the responsibility rests entirely upon the heads of the Japanese General Staff who have pursued and continues to pursue a deaf, dumb and blind policy in respect to China. There was a time when intervention movements on the part of foreign powers could be localized to particular sections of the country, but that time is apparently well past for there is now as much interest in the Manchurian situation in Canton and Chengtu, Szechuen as there is in Mukden and Harbin.

Sino-Japanese Shanghai Agreement Signed---Three Chief Figures in Three Different Hospitals

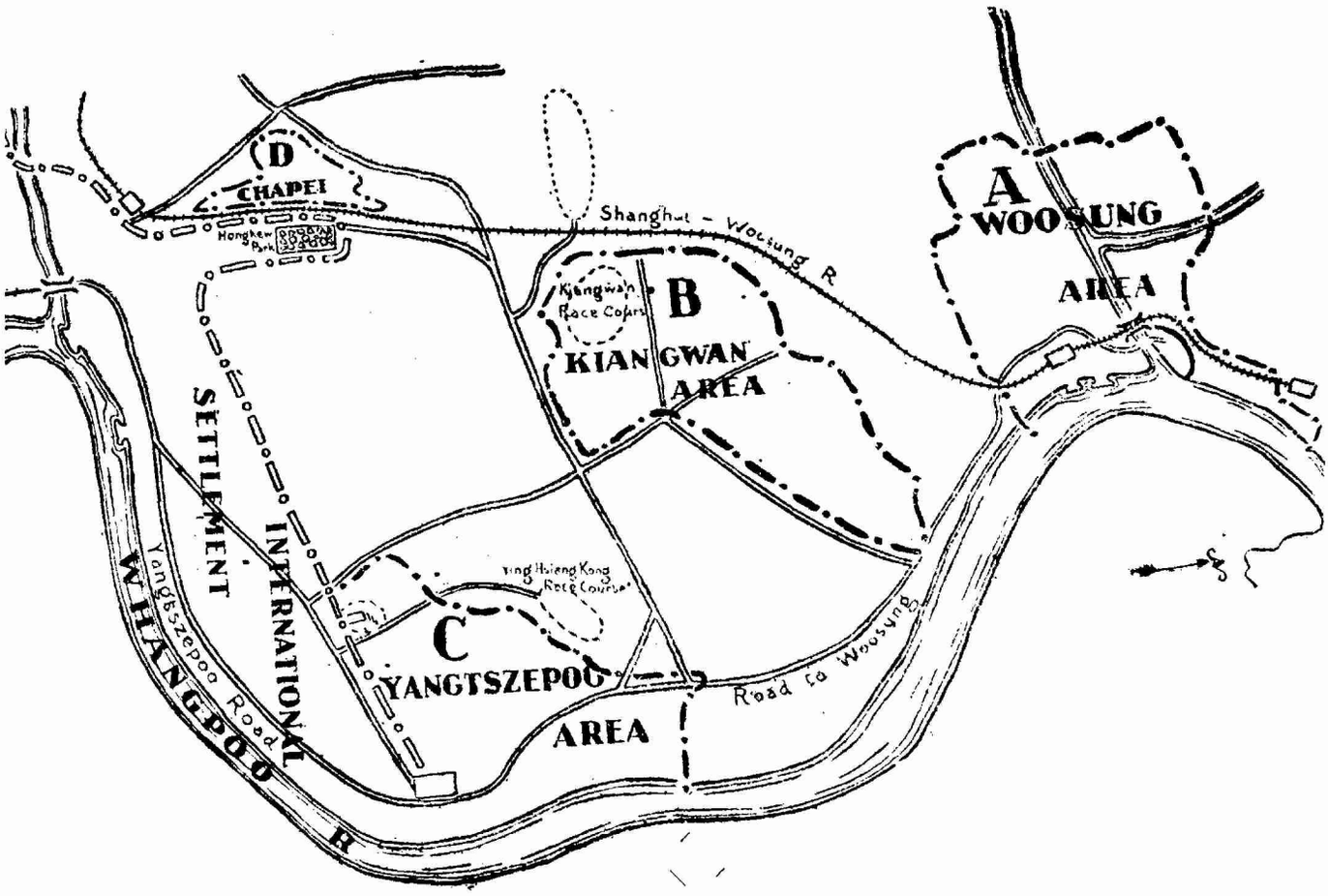
Reports from Tokyo through Reuters service on Wednesday evening, May 11, stated that the Japanese Government had suddenly decided to withdraw all the Japanese troops from Shanghai within one month. A spokesman of the Tokyo Foreign Office stated that the withdrawal was occasioned by Japan's desire to conform with world opinion. He stated that it originally had been intended to station a full division as a sort of permanent garrison at Shanghai, but this plan had been abandoned. The statement concluded with the ironical suggestion that Japan "had fought the battles of other nations as well as their own at Shanghai and have gained only world-wide odium."

THE Sino-Japanese Shanghai Peace Agreement was signed May 5 under circumstances of an unusual character. The chief Chinese delegate, the chief Japanese delegate, and one of the Japanese military delegates were all confined to hospital suffering from wounds, and each of them was in a different hospital. Mr. M. Shigemitsu, the Japanese Minister, signed at the Fooming Hospital where he is being treated for serious injuries received during the bombing incident at Hongkew Park. He was visited there with a copy of the treaty by Samuel H. Chang (Director of Intelligence and Publicity of the Chinese Ministry of Foreign Affairs), Mr. A. D. Blackburn (of the British Consulate-General), and Mr. Okasaki (of the Japanese Consulate-General).

After Mr. Shigemitsu had signed Messrs. Chang, Blackburn and Okasaki returned to the British Consulate General where they were joined by General Tai Chi and General Gaston Chiang Huang (of the 19th Route Army), Rear Admiral S. Shimada and Major General K. Tashire, all of whom signed the agreement. The following representatives of friendly Powers also signed as witnesses:—Sir Miles Lampson (British Minister), Mr. Nelson T. Johnson (U. S. Minister), M. M. Wilden (French Minister), and Count G. Ciano di Cortellazzo (Italian Charge d'Affaires).

Leaving the British Consulate about half past twelve p.m., Messrs. Chang, Blackburn and Okasaki proceeded to the Country Hospital where Mr. Quo Tai-chi, Political Vice Minister of Foreign Affairs and Chief Chinese delegate, is a patient, following his being assaulted by students who desired to protest against what they earlier described as "China's surrender." Mr. Quo signed in bed and in the presence of the couriers. The copies of the Treaty were then taken to Lieut.-General Uyeda, at the Japanese Naval Hospital, who signed on behalf of the Japanese military authorities. Thus the two-hour round was com-

MAP SHOWING AREAS "A," "B," "C" and "D" REFERRED TO IN THE CHINESE-JAPANESE SHANGHAI AGREEMENT



The above map of the scenes of the recent Sino-Japanese hostilities shows clearly the different areas mentioned in the peace treaty, which was signed May 5, between the Chinese and Japanese representatives at the British Consulate-General. The areas marked A, B, C and D are those which are referred to in the treaty and into which the Japanese troops are withdrawing.

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pleted, and the agreement stood as binding on all concerned.

A significant feature of the signing of the agreements is that it was the English version that was signed and the text of the agreement stipulates that in the event of any disagreement the English version shall be followed. The Chinese and Japanese delegates at the signing of the agreement had not yet quite agreed on the text of the respective Chinese and Japanese versions, the two languages although being very similar in structure, presenting certain subtle differences which made agreement on the text a somewhat difficult matter. The texts of the agreement in Chinese and Japanese were signed later.

The following is the complete text of the Sino-Japanese Agreement for the cessation of hostilities and withdrawal of Japanese troops from the Shanghai district, signed May 5.

Art. I.—The Japanese and Chinese authorities having already ordered the cease fire, it is agreed that the cessation of hostilities is rendered definite as from May 5th, 1932. The forces of the two sides will so far as lies in their control cease around Shanghai any and every form of hostile act. In the event of doubts arising in regard to the cessation of hostilities, the situation in this respect will be ascertained by the representatives of the participating friendly Powers.

Art. II.—The Chinese troops will remain in their present positions pending later arrangements upon the re-establishment of normal conditions in the areas dealt with by this Agreement. The aforesaid positions are indicated in Annex I to this Agreement.

Art. III.—The Japanese troops will withdraw to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28th, 1932. It is, however, understood that, in view of the numbers of Japanese troops to be accommodated, some will have to be temporarily stationed in localities adjacent to the above mentioned areas. The aforesaid localities are indicated in Annex II to this Agreement.

Art. IV.—A Joint Commission, including members representing the participating friendly Powers, will be established to certify the mutual withdrawal. This Commission will also collaborate in arranging for the transfer from the evacuating Japanese forces to the incoming Chinese police, who will take over as soon as the Japanese forces withdraw. The constitution and procedure of this Commission will be as defined in Annex III to this Agreement.

Art. V.—The present Agreement shall come into force on the day of signature thereof.

The present Agreement is made in the Chinese and Japanese and English languages. In the event of there being any doubts as to the meaning or any differences of meaning between the Chinese and Japanese and English texts, the English text shall be authoritative.

Done at Shanghai, this Fifth day of May, Nineteen hundred and thirty-two.

(SIGNED) QUO TAI-CHI, *Vice-Minister for Foreign Affairs.*
TAI CHI, *Lieutenant-General.*
HUANG CHIANG, *Lieutenant-General.*
K. UYEDA, *Lieutenant-General.*
M. SHIGEMITSU, *Envoy Extraordinary and Minister Plenipotentiary.*

S. SHIMADA, *Real Admiral.*
K. TASHIRO, *Major-General.*

Representatives of the friendly Powers assisting in the negotiations in accordance with the Resolution of the Assembly of the League of Nations of March 4th, 1932.

Annex I

The following are the positions of the Chinese troops as provided in Article II of this Agreement.

Reference the attached Postal Map of the Shanghai District scale 1/150,000.

From a point on the Soochow creek due south of Anting village north along the west bank of a creek immediately east of Anting village to Wang-hsien-ch'iao, thence north across a creek to a point four kilometres east of Shatow, and thence northwest up to and including Hu-pei-k'ou on the Yangtsze River.

In the event of doubts arising in regard thereto, the positions in question will, upon the request of the Joint Commission, be ascertained by the representatives of the participating friendly Powers, members of the Joint Commission.

Annex II

The following are the localities as provided in Article III of this Agreement.

The aforesaid localities are outlined on the attached maps marked A., B., C., and D. They are referred to as areas 1, 2, 3, and 4.

Area 1 is shown on Map "A". It is agreed (I) that this area excludes Woosung Village; (II) that the Japanese will not interfere with the operation of the Shanghai-Woosung Railway or its workshops.

Area 2 is shown on Map "B". It is agreed that the Chinese cemetery about one mile more or less to the northeast of the International race track is excluded from the area to be used by the Japanese troops.

Area 3 is shown on Map "C". It is agreed that this area excludes the Chinese village Ts'ao-Chia-chai and the Sanyu Cloth Factory.

Area 4 is shown on May "D". It is agreed that the area to be used includes the Japanese cemetery and eastward approaches thereto.

In the event of doubts arising in regard thereto, the localities in question will, upon the request of the Joint Commission, be ascertained by the representatives of the participating friendly Powers, members of the Joint Commission.

The withdrawal of the Japanese troops to the localities indicated above will be commenced within one week of the coming into force of the Agreement and will be completed in four weeks from the commencement of the withdrawal.

The Joint Commission to be established under Article IV will make any necessary arrangements for the care and subsequent evacuation of any invalids or injured animals that cannot be withdrawn at the time of the evacuation. These may be detained at their positions together with the necessary medical personnel. The Chinese authorities will give protection to the above.

Annex III

The Joint Commission will be composed of 12 members, namely one civilian and one military representative of each of the following: the Chinese and Japanese Governments, and the American, British, French and Italian Heads of Mission in China, being the representatives of the friendly Powers assisting in the negotiations in accordance with the Resolution of the Assembly of the League of Nations of March 4th. The members of the Joint Commission will employ such numbers of assistants as they may from time to time find necessary in accordance with the decisions of the Commission. All matters of procedure will be left to the discretion of the Commission, whose decisions will be taken by majority vote, the Chairman having a casting vote. The Chairman will be elected by the Commission from amongst the members representing the participating friendly Powers.

The Commission will in accordance with its decisions watch in such manner as it deems best the carrying out of Articles 1, 2 and 3 of this Agreement, and is authorised to call attention to any neglect in the carrying of the provisions of any of the three Articles mentioned above.

Chinese Statement on Article II.

At the time of the discussion of Article II. the Chinese side made the following declaration to the meeting: It is understood that nothing in this agreement implies any permanent restriction on the movements of Chinese troops in Chinese territory. It was agreed that this declaration had been accepted by the meeting.

Chinese Statement on Article III

In accordance with Article III, it is understood that all municipal functions, including that of policing, in these areas remain with the Chinese authorities. The temporary use of these localities shall not in any way hamper the work of the Greater Shanghai Municipal Government.

Voluntary Declaration of Chinese Government

The following declaration was issued at Nanking May 5 by the National Government:—

"In order to ease the general situation and to secure the prompt re-establishment of stability and normal conditions in the affected areas, the Chinese Government hereby intimates its intention immediately to establish on its own initiative, for the maintenance of peace and order in the evacuated area in the vicinity of the Shanghai Settlements, a force of special constabulary, for which it contemplates the employment of experts as officers and instructors. It is understood that the incoming Chinese police who take over from the evacuating Japanese forces in accordance with the arrangement for a cessation of hostilities at Shanghai will be drawn from the above special constabulary."

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The Japanese Delegation at the Conference immediately upon the signing of the agreement notified the Chinese Military authorities and the Joint Commission that the Japanese Forces would commence the withdrawal as from the following day, as the initial step towards the faithful fulfilment of the Agreement.

In this connection Admiral Shimada, on behalf of the Japanese Delegation, said:

"In attaching this day our signatures, in all solemnity, to the coveted document now before us, while it is much to be regretted that some of our delegates have been temporarily incapacitated to be present except in spirit, it is a source of a great rejoicing to the Japanese Delegation that hostilities have ceased by the completion of this Convention. It has not been brought about without some difficulties, being the prized fruition of the good offices of the representatives of our friendly Powers and the mutual concessions on the part of Japan as well as China. We ardently hope that the conditions in and around Shanghai will speedily return to normalcy by the scrupulous observance of this convention by both parties. Taking this opportunity, I desire to voice, with due emphasis, our profound appreciation for the most untiring and arduous labours so generously and loyally consecrated by the distinguished Ministers and Military Attaches of the participating friendly Powers."

The Japanese Chief of Staff added the following explanatory remarks:

(1) "All and every form of hostile act" as stipulated in Article I, is understood to include the activities of Pienyitui as well as the language and action provoking hostile sentiments.

(2) Although no special provision is made relative to the "present positions" of the Chinese Army, south of the Soochow Creek or east of the Whangpoo River, the phrase "cease around Shanghai . . . . hostile act" is provided. It is understood that the Joint Commission will endeavor, in the exercise of its function, to avoid any complication in the matter.

(3) The localities where Japanese troops will be temporarily stationed is illustrated in the accompanying map.

(4) Relative to the period of withdrawal of Japanese troops which seemed to complicate the situation for a while (the interpretation of the word, "temporarily" as stipulated in Article III of the Convention), the question was solved by adding the following phrase at the end of Annex III, "the Commission . . . . is authorized to call attention to any neglect in carrying out of the provisions of any of the three Articles mentioned above (Articles, I, II, III).

(5) To provide for the peace and maintenance of order within the evacuated area, the Chinese police is to be stationed as stipulated in Article IV of the present Convention. As regards the aforesaid police force, it is expected that the Chinese Government will voluntarily make a separate statement soon after the conclusion of this agreement.

JAPANESE WITHDRAW TROOPS FROM FRONT LINES

Edwin S. Cunningham, United States Consul-General for Shanghai and senior consul, was elected chairman of the Joint Commission for enforcement of the Sino-Japanese peace agreement at the first meeting of the international body held at the American Consulate General end of last week. Lieutenant-Colonel K. Harada, Japanese military member on the commission, reported to the meeting that the Japanese withdrawal from the Liuho-Nanziang line is already under way.

The headquarters of the Japanese Expeditionary Forces in Shanghai issued a communique May 7 concerning the schedule of troop withdrawal from the front lines. It stated that the main body of the Japanese troops holding the front line positions was withdrawn on Friday, May 6, to areas east of the line from Shihtsulin, Yangchong, Tazang, to Chenju, as a first step in the troop withdrawal in accordance with the Armistice Agreement. To facilitate the work of the Mixed Commission, and also in consideration of the transfer of police duties to the Chinese special police force, several battalions were left at designated points for the maintenance of peace and order. These remaining units which were scheduled to be withdrawn within several days were: Liuho, one battalion of infantry; Kiating, one battalion of infantry; Nanziang, one battalion of infantry and regimental staff; and Lotien, one battalion of infantry and one company of mountain artillery. The succeeding stages in the withdrawal of troops to places designated in the Armistice Agreement were as follows: Second stage—Withdrawal from Liuho, Kiating, and Nanziang line; third stage—Withdrawal from Lotien; and fourth stage—Withdrawal from Shihtsulin, Yanghong, Tazang, and Chenju. The withdrawals as per this schedule were nearly all effected during the week.

THE FUTURE OF CHAPEI

Following closely on the heels of the signing of the armistice and the withdrawal of the Japanese troops, plans are proceeding for the return to normal conditions in Chapei. A total of 1,000 Chinese gendarmes, specially recruited in Peiping, will be used to patrol the evacuated areas until the formation of a proper police force is effected. The first batch of 500 of these northern police has already reached Shanghai. Lo Loh has been appointed chief of the Peiping detachments. Lt.-Gen. Wen Ying-sing, chief of the Bureau of Public Safety, and Messrs. Ying Hsu-kung and Kwok Tuk-hwa have been appointed to a committee to supervise the taking over by the special constabulary. Two other members will be appointed to this committee by the Kiangsu provincial government. Lt.-Gen. Wen has appointed the chiefs of the First, Second and Third departments of the Bureau of Public Safety, two secretaries and the chief of detectives to assist in the organization and the establishment of the new Chapei police force.

The actual policing of the areas to be evacuated by the Japanese will not commence until the Mixed Commission, appointed under the peace agreement, has decided whether the terms of the agreement have been complied with. Immediately this has been established the Chinese authorities will be informed and the special committee appointed for the administration and reconstruction of Chapei and other Chinese areas will commence their duties. After the plans have been perfected for policing the evacuated areas, the Chinese commission will attend to such matters as health and sanitation. The work of rehabilitation will come later. For the present, sites for new police stations are being selected to replace those destroyed during the fighting.

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AGREEMENT CRITICIZED IN MANY QUARTERS

The signing of the Chino-Japanese armistice agreement at Shanghai evoked criticism in many Chinese quarters. The Federation of People's Various Public Bodies issued a telegram protesting the that the rights of China are being impaired. "The text is cunningly worded; our territorial integrity is being impaired," the statement averred.

The South western Political Council held an "emergency conference" at Canton end of last week and decided definitely to oppose the Sino-Japanese Truce Agreement signed at Shanghai. The Political Council at Canton, according to the decision reached, will not recognize the agreement as valid.

The *China Times*, prominent Shanghai Chinese newspaper, commented: "We fought, we retreated and now we have surrendered. This is the end of the Chapei Incident. We have surrendered and accepted humiliating terms. The Government and the people are now in the position of a conquered people. The people preferred to fight, but the Government desired peace; the people are brave, but the Government is weak."

Mr. Eugene Chen, former Minister of Foreign Affairs, in an interview gave various reasons for his conclusion that Japan had got the main advantage in the peace agreement. Mr. Chen said the object of Japan in invading Shanghai was to turn the attention of the world from her campaign in Manchuria and that she wanted to settle the Shanghai question apart from that of Manchuria, to coerce China into abandoning settlement of the Manchurian issue. In this connection, he said, Japan had secured her objective through the peace pact. It would be better, in his opinion, for the Japanese to be driven out of Shanghai by force of arms than to have Japan withdraw her troops only from Shanghai and not Manchuria.

Dr. Lo Wen-kan, Minister of Foreign Affairs, in an interview made a vigorous reply to criticisms of the agreement. He pointed out that the National Government had done its utmost to reject Japanese demands such as the establishment of the free city of Shanghai, the establishment of a neutral zone about the Shanghai settlements and the cessation of the anti-Japanese boycott.

(*Continued on page 372*)

The Alleged True Story of the Hongkew Park Bombing

According to a circular distributed to the press by a Korean who says his name is Kim Koo—Yun Bong Kil, the Korean who threw the bomb at HongkewPark on the occasion of the celebration of the birthday of the Emperor of Japan, April 29, was born of a poor family in Reisan, Korea, in 1908. Both his parents are still living and he has a wife and two children. He was an infant prodigy. At the age of 17, he opened an evening class and taught the poor farmers' children for five years. When he saw that the economic and political oppression of the Japanese was driving the Koreans to bankruptcy and death, he made up his mind to take revenge and thereupon left home. He was stranded on the way to Shanghai and held up at Tsingtao, where he worked at a Japanese laundry owned by Kenjiro Nakahara. When he had saved enough money for his fare, he came to Shanghai last August. He earned his living by working in a local factory. Later he joined a vegetable store at Hongkew market, waiting all the while for a good chance. He recently became a member of the Korean Patriotic Association, which Kim Koo says he organized with the aim of furthering the salvation of Korea by applying force. Only those who are willing to make the supreme sacrifice are eligible for membership. A member is nominated and accepted by Kim alone and he does not know even the names of other members. No meetings are held and the work is carried out in absolute secrecy. The aim is to redeem the independence of Korea by assassinating important Japanese figures and destroying Japanese administrative organs. Kim Koo says he is 57 year of age. He started his adventurous life in 1896, when he was 21. In that year, Japanese soldiers, he says, murdered the Korean Queen in the Palace. He thereupon secretly planned to take revenge. He followed the perpetrator of the murder, Captain Tsuchita, to Anak, in the Province of Huanghai, Korea, and there killed the Captain with his bare hands. Kim says he was at one time under sentence of death and had been imprisoned on several occasions because of his connection with the assassination of Prince Ito in 1909 and General Terauchi in 1911. He says Yun threw the bomb at Hongkew Park on his (Kim's) orders.

Japanese Consulate Makes Statement on Bombing Incident

The Japanese Consulate-General made the following announcement May 6 in connection with the Hongkew Park incident.

"Im Hokichi, (this being the Japanese rendering of the name) native of 139 Kakiryori, Tokuyama village, Reizan-gun, province of Chuseinando, Chosen, and at present residing in a boarding house on Rue Amiral, French Concession, Shanghai, who was born on May 19, 1907, entered Hongkew Park at about 7.45 a.m. April 29, on the occasion of the joint civil and military celebration of the birthday of H.I.M. the Emperor of Japan which was held at the park that day.

The above is a photograph of the Korean, Yun Bong Kil (in Chinese In Fong-kee) under the National Flag of Korea, taken three days before he threw the bomb at Hongkew Park on the occasions of the Japanese Emperor's birthday. On his chest is pinned the Oath made to the Korean Patriotic Association, reading:

"I make this oath as a member of Korean Patriotic Association to kill the military leaders of the enemy who are invading China in order to redeem the independence and freedom of our country.

YUN BONG KIL.

April 26, Fourteenth Year of the Republic of Korea.

"At about 11.40 a.m., while the attendants at the celebration were singing the Japanese national anthem, Im hurled from the rear of the platform, where distinguished personages were standing, a bomb which resulted in the injuries to General Shirakawa, Vice-Admiral Nomura, Lt.-General Uyeda, Minister Shigemitsu, Consul-General Murai, Dr. Kawabata (who died subsequently from the wounds received) and Mr. Tomono.

"The wound-be assassin was caught immediately and taken to the gendarmerie headquarters for examination, following which an appeal was made for a preliminary court martial hearing.

"The bombs hurled by Im were two, one contained in a water flask like container and other in a luncheon container (bento-bako). The former was thrown on the platform and exploded, while the latter was placed on the ground.

"Through the confessions and statements made by the Korean, it was revealed that there were a number of others who had supported Im in the outrages, residing in the local French Concession. The authorities of the French Concession, therefore, were requested to assist in the arresting of these

The above is a picture taken of the Hongkew Park bombing incident, apparently within a minute or two after the bomb had been thrown.

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co-plotters. Between April 29 and April 30, 12 such plotters were arrested, including one named An Shoko, (C. H. Ahn) all of whom are now undergoing examination at the hands of the Japanese authorities."

Appeals to French and American Governments

The procedure followed in arresting the 12 Koreans, including C. H. Ahn, who are at present being detained at the Japanese Consulate General in Shanghai, has aroused a storm of protests from the Korean community in Shanghai. Telegrams and letters of protest were sent in many directions. One telegram to M. Herriot, the head of the Radical Party in France, stated that the French authorities at Shanghai had illegally arrested and transferred to the Japanese police 12 Koreans including C. H. Ahn, for 40 years the leader of the independence movement, thus reversing the past policy of protecting Korean residents and violating the French tradition for protecting political refugees.

Another telegram to Andre Tardieu, the Minister of Foreign Affairs, expressed sympathy to France for the assassination of President Doumer, with which was coupled a statement to the same effect as that to M. Herriot, above mentioned. Both these telegrams were signed by Youpil Lee, as president of the Korean Residents' Association in Shanghai.

A letter to Consul General Wilden averred that despite statements made by the French Police that no arrests were made without warrants, the fact was that the arrests were made first and the warrants issued afterward. It is also alleged that C. H. Ahn was arrested on a warrant which had been issued for Youpil Lee. This arrest was made at Lee's house at 4 p. m. April 29. A paragraph in the letter to M. Wilden read:

> "We beg to remind you that during the last thirteen years of our sojourn in the French Concession, every arrested Korean whether political refugee or ordinary criminal was either instantly released by your own authority or turned over to the Mixed Court for trial, but was never handed over to the Japanese. We who have fled from the inhuman oppression and unparalleled tyranny of the Japanese, have sought refuge under the laws and constitution of your Republic, but regret that our confidence has been misplaced."

A letter was also addressed to Nelson T. Johnson. U. S. Minister to China, pointing out that C. H. Ahn started his sojourn in the United States about 30 years ago, and that his wife and five children are now American citizens residing in Los Angles; also that Mr. Ahn is a naturalized Chinese citizen. An appeal was made to Minister Johnson on behalf of his wife and children to ascertain the details of the arrest of C. H. Ahn from the French authorities and to approach the Japanese Consul General in Shanghai with a view to according Ahn a public trial.

As regards the arrest of these 12 Koreans, enquiries made by *The Review* indicate that they were taken into custody on April 29, held at the French Police station until the Japanese warrants had arrived and then were turned over to the Japanese authorities on the following morning. Of those arrested, five are under 20 years of age, one is 19 and four are 18. Eight of them are students, two are tramway inspectors and one is a dentist.

Russo-Turkish Rapprochement Arouses French Fears

French political circles are reported to be uneasy because of the visit of prominent Turkish statesmen to Moscow last week or, more particularly, at the extremely cordial spirit pervading the occasion and at the attendant speeches and articles of welcome which appeared in the Russian press. The Paris *Matin* insists that even though the visit of the Turkish statesmen was arranged months ago long before the Far Eastern conflict became acute, recent developments have given it a definite point. It says the fact that Premier Ishmet Pasha and Foreign Minister Rushdi Bey should come to Moscow accompanied by prominent politicians and military men, furnishes much food for thought. Other French papers express apprehension that the pointed references of the two countries' struggle for liberty, made in the Moscow speeches and played up in the Moscow press, might have some influence upon Chinese sentiments. The speeches at Moscow made by the Russian and Turkish statesmen stressed the continual development of Soviet-Turkish relations and the deepening of friendly cooperation between the two countries.

Inter-provincial Highway Construction Makes Progress

A scheme to link up Nanking, Shanghai, Hangchow, and Wuhu by a network of highways is being jointly formulated by the Provincial Authorities of Kiangsu, Chekiang and Anhwei. The National Government has promised to grant a million dollar loan to the three provinces for the fulfillment of the project. At a recent conference, it was decided to complete the Shanghai-Hangchow and Hangchow-Wuhu highways as soon as possible, each province undertaking the construction of that section within its boundary. Thus, Chekiang will extend the Hangchow-Chapoo highway to Chinssuuiangchiao and Kiangsu will construct a road from Minghong to the same point. Similarly, Chekiang will build the section of the Nanking-Hangchow highway from Changhsing to the Chekiang-Anhwei border; while Anhwei will extend its Wuhu-Hsuancheng highway to effect a junction. Work on these sections has either been started or is about to start. The loan of one million dollars from the National Government will be employed chiefly for the construction of the Nanking-Shanghai and the Nanking-Wuhu highways, plans and estimates for which are now being drafted for approval by the Central Authorities.

Local Japanese Planning to Petition Home Government for Funds

The Shoko Rengokai, an organization of the smaller merchants and factory owners of the local Japanese community, is planning to send a petition to the home Government requesting financial assistance in order to enable them to carry on their businesses. It is expected that a delegation of three or four men will be sent to Tokyo to ask the various political leaders and members of the Government to use their influence in granting the requested aid. The sum of Yen 15,000,000 is expected to be set aside by the Japanese Government to assist business men and others who have suffered in the Shanghai and Manchurian incidents.

Japanese" Movie" of Chapei Fighting

A detachment of the Japanese naval landing party, including two motorcar tanks, reenacted the Chapei fighting May 9 and 10 in the vicinity of the Commercial Press building, Chapei, to be recorded in a talkie-film. Employees of the Fuji Talkie Company of Japan, now here, directed the movement of the bluejackets. A number of naval officers, including Commander Higuchi, Press officer, witnessed the activities. A number of field pieces, rifles, and machine gunes, using blank shots, and also bombs were used.

19th Route Army Removes Mines Along Railway

In view of the fact that the railway service of the Shanghai-Nanking line will be restored to normal in the near future, the Headquarters of the 19th Route Army have ordered the removal of military mines which were formerly laid in the vicinity of Chingyangkang. The barbed wires and other obstructions hitherto erected along that sector of the railway will also be removed in order to facilitate the repairing work of the damaged rails and bridges.

Bomb Started Fire in U.S. Consulate at Nagasaki

Consul Henry Hitchcock of Nagasaki, Japan, reported to the U.S. Government during the week that a fire in the consulate building May 8 was due to a bomb thrown into the building from a passing automobile. Officials in Washington expressed the opinion that the act was of no political importance, although in Japan it was linked with anti-American feeling growing out of American opposition to Japanese military actions.

Chang Hsueh-liang Increases Air Forces

A recent Japanese telegram from Peiping stated that General Chang Hsueh-liang is appropriating the funds accruing from the military reduction and educational expenditure for the strengethening of the aviation forces. The present strength of General Chang's air force is stated to be two pursuit planes and three fighting planes. Six planes are now under construction and more than ten are now on the way from abroad.

Japan's Bid for Far East Supremacy

BY WILBUR BURTON*

in "Current History" for February

THE undeclared war existing between China and Japan since the Japanese seizure of a large part of Manchuria is merely another chapter in a struggle that has gone on for centuries. Although the Japanese and Chinese have much in common, especially a Confucian basis of a large part of their social life, there seems to be a fundamental antagonism between the two peoples. Each nation has devout advocates of Sino-Japanese cooperation toward a Pan-Asiatic movement of "Asia for Asiatics," but it has never made much headway, nor is there any indication that it ever will. Rather, there is a long and almost instinctive conflict between the Chinese and the Japanese for domination of the Far East. A common Chinese attitude toward the Japanese is expressed by frequent reference to them as "dwarf slaves." An equally common manifestation of Japanese chauvinism is best illustrated in the description of China by Norinaga, one of the makers of modern Japanese mores, as "a dirty country not under the special protection of the Sun Goddess."

Envy explains much of the Sino-Japanese antagonism. When Japan was an insignificant nation of constantly fighting feudal chiefs, China was the mighty "Middle Kingdom," a centre of the wealth and culture of the Orient. The West then was but vaguely known. All the civilization that Japan had came from China; even the dress of Japanese women to-day is of Chinese origin. Confucianism was imported into Japan and adopted. Within the last century reaction against this wholesale imitation of China began and Shinto and Bushido were brought forth to replace a large part of the Confucian code. Within the last century also, the roles of China and Japan have been reversed; from insignificance Japan rose to be one of the world's major powers, while from isolated magnificence China fell into chaos and for a time was threatened with virtual extinction as a nation through being carved up by western invaders. This revarsal of their rôles naturally aroused envy, if not resentment, of Japan among the Chinese.

Japan is Small, China Is Big

Today Japan is a great but small country with extremely limited natural resources and with a population of nearly 65,000,000, which is considerably too large for her area. China is a vast country with extensive natural resources and approximately 400,000,000 population. If the Chinese envy Japan's present greatness and importance the Japanese can well envy China's size and potential importance. Further, despite her chaos and backwardness, China has been an obstacle to many Japanese ambitions. In Manchuria, for example, more than 25,000,000 Chinese have settled in the present century, but only 200,000 Japanese. Despite population pressure in Japan, Manchuria is too cold for Japanese colonization, while the Chinese are able to live and prosper in all lands from the equator to the Arctic Circle.

Japan's imposing facade cannot conceal many major weaknesses. Her already excessive population is increasing steadily, but immigration to countries suitable to the Japanese physique is no longer possible. Japan, furthermore, suffers chronically from an unfavorable trade balance. Since 1870 imports have exceeded exports in all but eleven years. In only one year between 1897 and 1915 did exports exceed imports,and in no year since 1918. Today Japan has a governmental defic it of approximately $81,500,000, which is the result of her huge military establishment. This fact, incidentally, was not withoutvital significance in the Manchurian adventure; the army wanted to prove its worth lest its appropriations be curtailed.

Japan also faces a growing radicalism among her own people. Radicalism, it must be understood, does not necessarily mean any shade of communism, although there is a strong Communist movement. Anything is radical in Japan that is not predicated on the thesis of the Emperor's divinity. The doctrines of Thomas Jefferson are just as subversive to the Japanese theocratic state as those of Karl Marx, although the country has manhood suffrage. The anomaly of manhood suffrage and Emperor worship, for example, was amusingly illustrated in 1929 by the Japanese objection to the phrase in the Kellogg-Briand peace pact that the "high contracting parties declare in the names of their respective peoples" to outlaw war. The pact was ratified by Japan with the qualification that the Emperor spoke as a sacrosanct god, not as a representative of the people. Until recent years the divinity of the Emperor apparently was doubted by no one, but the younger generation is indulging extensively in what the police describe as "dangerous thoughts," many of which are inspired by the sweeping social revolution going on in China. And this is another reason why official Japan regards China with profound mistrust.

The first recorded clash between China and Japan took place nearly three and a half centuries ago, when China still was the mighty "Middle Kingdom" and Japan started struggling for a place in the sun. The Japanese invaded Korea, then a tributary State of China, and in the following year Chinese troops sought to oust these "barbarian upstarts." The Japanese forces defeated the Chinese, but abandoned the project of conquering Korea for almost 300 years. In 1609 the Japanese did conquer and assume control of Liuchiu, also a tributary State of China. and thus took their first successful step in imperialism.

From then, until opened to the world by Commodore Party, Japan was too busy with her petty internal wars between various clans to be concerned with the rest of the world. Meanwhile a curious development was taking place, Three prophets arose to proclaim the glory of Sapan before the introduction of Chinese philosophy. Once, they said, in a by gone "Golden Age" the Mikado, or Emperor, had been supreme by virtue of his descent from the Sun Goddess, but, Kamo Mabuchi found, "since the introduction of Chinese manners the sovereign, while occupying a highly dignified place, has been degraded to the intellectual level of a woman." Motoori Norinaga proclaimed that the Mikado is the "Immovable Ruler who must endure to the end of time; * * * god, and * * * duty, therefore, consists in obeying him implicitly without questioning his acts." Airata Atsutane declared that "from the fact of the devine descent of the Japanese people proceeds their immeasurable superiority to the natives of other countries in courage and intelligence." All these prophets and their followers urged a return to Shinto, a "way" that is based on the infallibility of the Emperor and Nature—the Emperor being a kind of all-powerful oracle of Nature.

Shintoism as the "Way"

The preaching of the Shinto evangelists probably would have passed unnoticed had it not been that their movement coincided with Perry's forcible opening of Japan. Soon afterward a few energetic young Japanese, like Prince Ito, who had studied abroad, became convinced that Japan's ancient isolation and warring feudal lords were anachronistic and no longer desirable. They seized upon Shinto as the "way" toward a new Japan, and a group of fifty-five of them overthrew the feudal Shogunate in 1867, and on Jan. 1. 1868, proclaimed the Era of Meiji (Enlightened Government) under Emperor Mutsuhito.

This "restoration" was one of the most sudden and thorough-going changes any nation has ever experienced. It was far more a revolution than a "restoration." for there is no historical warrant to accept the story of any "golden age" under Shinto, which appears to have been originally merely a primitive animism. But the "restoration" legend served its purpose well; the coming of serang and somewhat fearful aliens furnished a powerful motive for unity; the people were tired of feudal wars, and the characterization of the new regime as only a return to ancient glory was psychologically pleasing. Along with Shinto the "restorationists" popularized Bushibd— the way of the warrior"— as likewise a revival of an ancient heritage. Actually "Bushido," which may be most simply defined as salvation through fanatical patpiotism. is a modern device, althrough many of its knightly principles are doubtless a part of Japanese tradition. Tobay both Bushido and Shindo are taught in all public schools and universities as eternal verities, and to question either is a "dangerous thought."

In 1889 Shinto and Bushido were given legal confirmation in a constitution which is certainly a unique document of statecraft. Article I provides that "the Empire of Japan shall be ruled over by the Emperors of the dynasty"; Article III decrees that "the person of Emperor is sacred and inviolable"; and Article XIII says "the Emperor declares war, makes peace,and concludes treaties." Other provisions of the constitution give the government power to carry out the budget of the preceding year should the Diet not vote a budget, thus precluding any possibility of democracy in the western sense.

*Mr Burton is a member of the staff of *The China Press*, Shanghai.

No sooner had Japan completed her "restoration" than she started on the road to imperialistic greatness. China, then under the rapidly degenerating Manchu dynasty, was unable effectively to oppose aggression from either her neighbor of the rising sun or the more distant countries of the setting sun. In 1874 Japan seized Formosa, a part of Fukien Province, from China, and in 1895 she again attacked Korea and thus started the only formally declared Sino-Japanese war. As a result of China's defeat Korea became independent—a prelude to annexation by Japan in 1910; China surrendered all claim to Formosa and Liuchiu and, in addition, paid a war indemnity of more than $100,000,000.

After the formal Sino-Japanese war Japan obtained all special rights in China that other powers had wrested from that hapless country; the defeat of Russia in 1905 gave Japan all Muscovite concessions and rights in South Manchuria. The next year the South Manchuria Railway Company was organized, and in the years immediately following Japan obtained additional rights and coal mining, timber cutting and similar concessions.

Sino-Japanese relations entered a new phase after the Chinese Revolution of 1911, which overthrew the Manchu dynasty. A revolution in China evidently did not appeal to Japan, both because of its unfortunate example and the possibility that a republic would prove a more vigorous rival than a weak and corrupt monarchy. During the early stage of the revolution Japan made a definite effort to divide the country, with a republic in the south and the monarchy in the north, but failing in this plan she joined the banking consortium that in President Wilson's eyes, at reast, was designed to mortgage the infant republic to the major foreign powers.

Revolution Fosters Nationalism

Japan's fears that the Chinese Republic would prove more potent than the Empire proved groundless, at least for the time being. Unlike Japan's revolutionary "restoration," the Chinese revolution retarded the introduction of Western industrial and economic technique, while throwing the country wide open to new social ideas that are still working themselves out. But the revolution paved the way for providing China with a source of strength she lacked before—a violent nationalism among her people. This has been apparent ever since the Twenty-One Demands of 1915 and has been the the chief check on Japanese imperialism as well as the most powerful threat to Japan's future in the long-drawn-out war for supremacy in the Orient.

The Twenty-One Demands were presented to China at what was the weakest point in her history, taking all factors into consideration. From a military standpoint she was no weaker than she had been for many years, but in 1915 she lacked the asset of being able to play one great power against another—a policy that had frebuently saved her. When China came most dangerously near to being carved up—in the last years of the nineteenth century—the jealousy of the powers to prevent one from getting more than another, and the Open Door policy of America, who did not desire any territory or special "sphere of influence," combined to preserve a nominal territorial unity within the country south of the Great Wall. In recent years China has had a potent weapon in the nationalism of her people. But in 1915 this nationalism was still little more than embryonic, and all the Western powers were too much occupied with the World War to pay much attention to China.

Had the original Twenty-One Demands been carried out Japan would have achieved a virtual protectorate over China. But, despite the unfavorable conditions, adroit diplomacy staved off the worst of the demands, although the agreement growing out of them gave Japan a secure foothold in all parts of South Manchuria outside her railway zone. Subsequent special rights, not only in Manchuria, but in China proper, were granted in a secret agreement concluded with the notorious Anfu clique in Peiping in 1918. It was this series of events, together with Japan's demand that China sign the Treaty of Versailles confirming possession of the parts of Shantung seized from Germany, that brewed the first nation-wide nationalist mass movement in Chinese history—a movement which proved sufficiently powerful to prevent China from signing the Versailles treaty, forced the Anfu clique to flee, and eventually assisted in inducing the Washington Conference to return Tsingtao and other former German possessions in Shantung, to China.

The birth of Chinese nationalism apparently gave pause to Japanese efforts to prevent the rise of an Oriental rival. During the period of 1922-24 Japan's policy toward China was decidedly pacific. Nevertheless, Japan retained her hold on Manchuria through Chang Tso-lin, father of Chang Hsueh-liang, the present ousted Governor of the territory. And in 1925 the Japanese, although not too openly, assisted Chang Tso-lin in crushing the nationalistic Kuo Sunglin revolt. In the same year also the killing of a Chinese worker during strike troubles in a Japanese mill of Shanghai started a wave of nationalism, tinged with bolshevism, that soon swept China. Great Britain, however, became the chief object of this outburst when the British police in Shanghai killed a number of students on May 30, 1925. Throughout most of the struggle Japan maintained a discreet neutrality.

Japan Foments Sectionalism in China

In 1927 and 1828, when it appeared that under the banner of the Nationalists, then divested of Soviet affiliations, a measure of Chinese unity would be obtained, Japan reverted to her ancient tactics of seeking to keep China divided. Troops were rushed to Tsinan in Shantung on the pretext of protecting the Shantung Railway, for which China was still in debt to Japan; their obvious purpose was to halt the march of Nationalist troops to Peiping. But the Japanese succeeded only temporarily. Nationalist troops reached Peiping and formal unity of the country was proclaimed. Japan then turned her attention toward preventing Manchuria from caming into the Nationalist orbit. Had not Chang Tso-lin been killed in a mysterious train explosion, which Chinese and many Japanese attributed to the Japanese military in Manchuria, it is altogether possible that Manchuria would have remained closer to Tokyo than to Nanking, the Nationalist capital. Filial piety is still strong in China, despite social evolution, and it was this ancient trait which appears to have been chiefly responsible for Chang Tso-lin's son's turning toward Nanking. Certainly from the time he assumed power on the death of his father he showed little inclination to cooperate with the Japanese, and by 1931, Manchuria, for the first time in modern history, was under a government that was more pro-Chinese than pro-Japanese.

This fact was doubtless partly responsible for the new "strong policy" adopted by Japan in her seizure of much of the territory beginning last Sept. 18. All the motives that entered into the seizure probably never will be known, but its primary inspiration was, beyond cavil, the fact that Japan saw Manchuria slipping from her domination. It is also possible, as has been charged, that the Japanese military acted without consultation with the civil authorities. Perhaps, also, the Japanese cannily calculated that the time was propitious to curb further their omnipresent Celestial menace. China in 1931 was in chaos. The Nationalist movement had again split; one faction comprised the recognized government in Nanking, while another held sway in Canton. Besides, the Communists had risen to an influential position, forming the first Soviet Republic of China in Kiangsi and adjoining provinces. And the world was too preoccupied with economic troubles to take much interest in China and her difficulties in resisting Japanese purposes.

Whatever may have beeu the reasons, aside from the pretense of treaty violations which can always be charged to China, Japan struck, and struck hard, taking not only actual possession of practically all South Manchuria and some areas in the north, but demanding the complete and permanent withdrawal of all Chinese soldiers to south of the Great Wall. As was to be expected, the League of Nations could not or would not do anything, and China was in no position to fight back. But one answer of Cathay was the most thoroughgoing boycott ever instituted against any nation; another answer was a recrudescence of the mass movement on a scale unprecedented since 1925. It remains to be seen whether Japan can finish what she has started.

This brief review of Sino-Japanese relations reveals clearly a consistent policy on the part of Japan—to prevent, if possible, the rise of a strong, stabilized China. There are critics, including many liberal Japanese, who consider such an attitude shortsighted. From one viewpoint they are correct. China, normally, is Japan's best customer, and trade is suffering by the present boycott, even more severely than from past boycotts. On the other hand, a strong, stabilized China wovld be Japan's nemesis. If the potentialities of Cathay, with her 400,000,000 people and vast natural resources, are even approximately realized, Japan will be overshadowed into insignificance, for her strength is ever conditioned by China's weakness.

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Anti-Japanese Feeling in Mongolia

BY C. Y. W. MENG 孟長詠

JAPAN, by defeating Russia in 1905 and Germany in 1914, was able to remove two of three great obstacles which had proved to be a great impediment to the Japanese Manchurian, or Continental, Policy; but Japan will never be able to overcome the third obstacle—the Chinese opposition, inspired by the rapid growth of national feeling. In the first Sino-Japanese War of 1895 it was really only a war between troops of Gen. Li Hung-chang and Japan. But in the quasi or undeclared war between China and Japan in 1932, or in the second Sino-Japanese War, should it occur in the near future, the Japanese would find that they are fighting not merely against the Cantonese troops, or any particular factions in China, but against 450,000,000 Chinese, including the Mongolians and Tibetans.

The Mongolian and Tibetan Affairs Committee sent out sometime last year several commissioners to Mongolia some of whom have already returned to the Capital. Interviewed by the writer of this article regarding their mission to Mongolia, the commissioners offered the following explanations:

"Since the close of the First Mongolian-Tibetan Conference which was held sometime last year, the Central Government had already been contemplating to send a competent commission to Mongolia and to Tibet with a view to explaining to them the resolutions that were adopted at the Mongolian-Tibetan Conference which aimed at improving the present condition and system in Mongolia and Tibet, and apparently further with the intention of beginning to take necessary steps for the enforcement of the resolutions. So the Committee despatched nine commissioners to Mongolia on October 12,1931, who, dividing themselves into four groups, went, one to Chi-Li-Mo-men (哲里木盟), one to Chao-So-Doo-men (卓索圖盟), one to Chao-Woo-Tai-men, (照烏達盟), and one to Wu-Lan-pei-yi-men (呼倫貝爾部). All these "men", generally known as "banna", are the most important and influential ones in Inner Mongolia.

The above is a photograph of Molka-ê, one of the prominent leaders in Mongolia. He is a strong man, full of wisdom and plans. He is reported as being very indignant at the Japanese invasion of Chinese Territory. He is drilling troops for service in the field and is ready to offer resistance against the Japanese.

"Our mission to Mongolia is not only to explain to them the resolutions that were adopted at the Mongolian and Tibetan Conference, but also to explain to them the attitude of the Central Government towards the Mongolian people, and to improve the cordial relationship between the Mongolian people and the people in this part of China", said the commissioners.

"In the course of our explanation, the Commissioners said, we also explained to the Mongolian people that we are people of the same race and that we should never be utilized by any third party", adding that this explanation was necessary because at present the Japanese propagandists are very active in Inner Mongolia. These professional propagandists, explained the commissioners, are trying their best to convince the Mongolian people that "Mongolians are Manchu people and do not belong to the Chinese, and that the Mongolian people should join with Manchukuo." Questioned as to whether the Japanese propaganda had produced any effect, the commissioners told the writer that the Mongolian people, ranging from the heads of the different tribes down to the mass of the people are very patriotic and there is no room for the Japanese propaganda. Each commissioner went on respectively to tell the writer of the places he visited Finally, the commissioners said, "Since September 18 when the Japanese troops forcibly occupied Mukden, the Mongolian psople have been very indignant at the Japanese actions of 'violating the administrative and territorial integrity of our country.' Since then the different chiefs of different 'men' or banna have taken vigorous steps to make armed preparations so as to be ready to oppose the Japanese invaders."

Another commissioner went on to explain that according to the present system in Mongolia, all males from 18 to 50 are required to take up military training for a number of years, after which they are to be recruited to the "Peace Protection Corps" 保安隊. "Before the Japanese invasion of Manchuria, the Peace Protection Corps were very poorly organized. But since September 18 a re-organization has taken place which has had the effect of making the Peace Protection Corps more efficient," said the commissioner.

The Central Government has only recently adopted the Conscription Law whereby every male is compelled to take up military service for a definite number of years. But in Mongolia, the system of compulsory military service has been in force since time immemorial. So the commissioner explained to the writer that the Mongolian people are physically strong and are good fighters.

Want to Fight the Japanese

Questioned if there is any anti-Japanese organization in Mongolia, the answer from the commissioners is in the negative, pointing out that the Mongolian people never use Japanese goods, so there is no boycott movement against Japanese goods. 'But the hatred of the Japanese action in the country is high," continued the commissioners. Many chiefs of "men" or banna all expressed their opinion to the commissioners that they are anxious to fight to oppose the Japanese invaders for the "recovering of the lost territories." What is necessary is "orders from the Central Government", explained the chiefs to the commissioners. The writer was further told by the commissioners that the Mongolian people are very obedient to their chiefs. If the chiefs should order them to fight, they would do so immediately. The commissioners all expressed their opinion that the Mongolian people are "loyal to the Central Government." They expressed their opposition against the non-resistance policy, and are ready to fight the Japanese invaders.

Nanking, May 7, 1932.

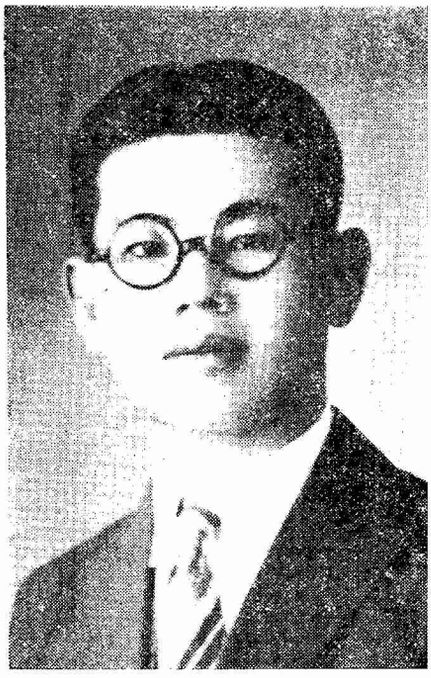
Japan's Colonization in Manchuria

BY SHEN HSUE-CHUAN (沈學傳)

SINCE the military occupation of Manchuria, Japan, in order to hold it permanently, has recently engaged in the illegal enterprises of colonizing her own people to Manchuria and audaciously buying lands from the local Chinese by force. The following report is made by a Chinese who recently arrived at Peiping from outside the Great Wall.

A Huge Group of Japanese Immigrants

"Five hundred thousand Japanese are officially planned to be colonized in Manchuria, the Northeastern part of China's territory. They will settle around the Chienpao-Lake (鏡波湖) in Kirin and along the Taonan-Swoulen Railway (洮索路). But at first these fixed Japanese immigrants must settle together in one district for the convenience of receiving their instructions and practice concerning the works of investigation and exploitation for three years. Then they will be allowed to settle apart by dividing into many groups; each group is planned to contain between three thousand and five thousand. They are to be the pioneers who will blaze the path for those who follow. In this way within ten years there will be three million Japanese immigrants in the Northeast and constitute one-tenth of the total Northeastern population.



Shen Hsue-chuan

The Establishment of Korean Villages

"Before invading Manchuria Japan first adopted the measure of driving the Koreans into Manchuria for colonization and exploitation. But, formerly, the number of Korean immigrants was not very great, in accordance with the plans of Japanese colonization policy. Since the occupation of Mukden Sept 18 last year the Japanese militarists have insidiously utilized the Koreans as their instruments for aggression upon Manchuria. Yu Yuang (宇垣), viceroy of Japan in Korea, recently promulgated the measure for colonizing Koreans to the Northeast and has already put it into effect. According to reliable investigation it is known that Japan has determined to soon build Korean villages in more than thirty districts such as Shenyang (瀋陽), Liaoyang (遼陽), Haicheng (海城), Yingko (營口), Sinmin (新民), Chinchow (錦州), Lieuho (柳河), Chiengyuang (清源), Fooshun (撫順), Liaochiong (遼中), Taian (安古), Benshi (本溪), Fengcheng (鳳城), Antung (安東), Tunghwa (通化), Hailung (海龍), etc. In Shenyang the Korean villages will be built along the Sinkai river (新開河), and Hun river (渾河); in Liaoyang at Liu-er-pu (劉二堡), and in Haicheng at Feng-hou-pu), (馮家堡), and Chih-ling-tze (七嶺子). The number of the Koreans of every village will be, for the time being, temporarily between four hundred and six hundred. These Korean settlers will be destined chiefly for the cultivation of paddy fields. Moreover, in every such village Japan has to establish a police box allegedly for the protection of Koreans.

The Occupation of Lands

"Owing to the great number of Japanese and Koreans planned to be colonized to the Northeast, it is certain that a great deal of lands will also be appropriated for reclamation and cultivation. Weeks before, Japan forced the bogus state to proclaim to the Northeastern people the freedom of selling lands to foreigners. The proclamation stated: 'The new state has brought a just and kind administration, not as in the regime of the warlords when the people were not allowed to enjoy the freedom of selling their lands to foreigners. Hereafter, all of the people are no longer to consider the selling of lands to foreigners as humiliation.'

"Besides, Japan has gone further to establish a Chao Ho Land Company expressly to buy lands from the Northeastern Chinese everywhere. Recently, in Shenyang, Fooshun, Liaoyang, and Haicheng there were Japanese and Koreans found audaciously inclosing the Chinese farmers' lands with logs, for their own, along the two sides of rivers. Alone in the district of Liaoyang, not mentioning the others, the Chinese farmers' lands inclosed by them with logs are more them sixty li in length and sixty or seventy li in breadth. The Chinese have absolutely no redress. Once a Chinese whose lands had been occupied by the Japanese and Koreans submitted a petition to the Manchukou Government, but it brought no effect. He then submitted another one to the Japanese Military Headquarters who pretended to hear him, but did nothing. Japan, moreover, has in Shenyang and Fooshun fixed the price of leases of the Chinese farmers' lands—in name for a lease of thirty years but in fact a permanent lease. She has offered three grades of prices for leasing one mow: thirty, forty, and fifty dollars. But, if sold in the open market every mow would bring ten dollars more. Since Sept. 18, 1931, the Japanese and Koreans have in the Shenyang district alone bought land totalling about a hundred thousand mow. Furthermore, the Japanese Military Headquarters has forced the Shenyang local government to proclaim to the people the freedom of selling lands regardless of nationality."

People in Hot Water

From the foregoing facts it is known that Japan has audaciously done what she likes in Manchuria. She voraciously wishes to swallow Manchuria. Certainly, the more tardily the Manchurian problem is settled the worse the situation of Manchuria will become. The writer, having just arrived at Peiping from Outside the Great Wall, has a clear personal insight of the present plight of the Northeastern Chinese. The Northeastern Chinese have doubly suffered from both the atrocity of Japanese troops and the robbery of Chinese bandits. They are very like the prisoners imprisoned in a jail. They have lost the freedom of everything and even their lives have been at the mercy of Japanese troops. It is indeed that Manchuria at present is quite like a jail of criminals. Moreover, Manchuria has become a shambles. Everywhere the nefarious Japanese soldiers kill the innocent Chinese indiscriminately, stab or bury alive those who talk about Japan; and arrest those who dress like students. Therefore, the writer on his way to Peiping was dressed like a merchant, whom the Japanese troops welcome. But in order to investigate and examine the persons who are officers, or students who have studied Inside of the Great Wall, Japan has recently applied a Law of State Registration. They are to be taxed a heavy sum. Hearing this news most of them have left Manchuria for other places in China proper. Besides, the Japanese troops have called the so-called Chinese "plain clothes" men bandits. They fight against them disregarding the innocent people, who often suffer the same fate; and their houses are always exposed to the battle fire. However, the "plain clothes" men are not discouraged, but become more and more desperate. In order to defend their lives most of the farmers have left their fertile lands uncultivated and have enlisted as "plain clothes" men. Besides, they have suffered no less from the real bandits. Almost every house is empty and some of them have been set on fire. The people have been as afraid of the bandits as of the Japanese troops. Under a double outrage the Northeastern people have groaned and awaited immediate relief. Now there is another thing which should engage the reader's attention. It is the awful shortage of foodstuffs. Since Sept. 18, 1931 most of the people have become unemployed. Therefore, they can not get money to buy their food. But at last they have adopted a communistic method. It is the public division of food. It means that the poor threaten the rich to distribute their food to them. This atmosphere has prevailed everywhere. Since the farmers are leaving their lands uncultivated and becoming "plain clothes" men the problem of the food shortage will become more serious in the coming harvest. Alas! the Northeastern people have been on the verge of starvation. Ah! Is it Manchuria? No, it is shambles! Is Manchuria a land of promise? No, it is an abyss of sorrow.

Northeastern University, Peiping, May 1, 1932.

Full Text of League Committee's Preliminary Report on Manchuria

The following is the full text of the preliminary report of the Commission of Inquiry appointed in conformity with Paragraph 5 of the League Council resolution of December 21.

Since its arrival in the Far East the Commission has investigated general conditions prevailing in Japan and China in so far as those may affect its work. It visited Tokyo, Osaka, Shanghai, Nanking, Hankow, Tientsin and Peking, conferred with members of both Governments and interviewed representatives of many interested groups and classes in both countries, in Peking representatives of the authorities who had been in charge of the three north-eastern provinces prior to September 19.

Since arriving in Mukden the Commission has interviewed, amongst others, the Acting Consul-General for Japan and General Honjo, Commander-in-Chief of the Japanese forces in Manchuria.

The declaration of the President of the Council with reference to the resolution of December 10 directed the Commission to submit to the Council, as soon as possible after its arrival on the spot, a preliminary report on the existing situation in so far as this affects the fulfillment or otherwise by Governments of China and Japan of certain undertakings embodied in the resolution of September 30 and reiterated in the resolution of December 10.

The Undertakings

These undertakings are: (a) That the Japanese Government will continue as rapidly as possible the withdrawal of its troops into the railway zone in proportion as the safety of the lives and property of Japanese nationals is effectively assured. (b) That the Chinese Government will assume responsibility for the safety of the lives and property of Japanese nationals outside that zone as the withdrawal of the Japanese troops continues and the Chinese local authorities and police are re-established. (c) That both Governments will take all the necessary steps to prevent any extension of the scope of the incident or any aggravation of the situation.

The Commission is not yet in a position to submit full information on these three points. It must reserve for a later report consideration of the undertaking of both parties to prevent any extension of the scope of the incident or any aggravation of the situation. But as the Council is awaiting an early report on the existing situation in so far as it bears on the undertaking of Japan and China referred to above under (a) and (b), the following information is now transmitted.

The actual situation in Manchuria.

Information regarding the military situation in the North-eastern provinces has been provided by the Japanese military authorities. It is given under five heads, the first three relating to the Japanese troops and other forces co-operating with them, the last two relating to forces opposed to them.

Information has also been obtained from a Chinese source. It will be noted that in the classification adopted a new feature appears which was not contemplated by the Council in September last in the course of the events which are the subject of the present inquiry. The local administration was transformed. Committees for the preservation of peace and order were first established with Japanese help in the last months of 1931. They were subsequently superseded by an authority which was established on March 9, 1932, as the Manchoukuo Government. This explanation is necessary in order to account for the use of the expression "Manchoukuo Army by the Japanese military authorities."

Japanese Troops

(1) Japanese regular forces.

On September 18 the number of Japanese troops in the South Manchuria Railway zone is stated to have been 10,590. The numbers given for the first part of December are: 4,000 inside and 8,900 outside the South Manchuria Railway zone, making a total of 12,900. For the latter part of April the numbers are given as 6,600 inside and 15,800 outside the South Manchuria Railway zone, in the regions of the Tsitsihar-Taonan-Liaoyang Railway, the Mukden-Shanghaikwan Railway, the Chinese Eastern Railway east of Harbin and the northern sector of the Kirin-Tunghua, Railway, making a total of 22,400.

(2) Manchurian army troops designated by the Japanese military authorities as the Manchoukuo Army are said to have been formed partly of Chinese regular troops stationed in Manchuria before September 19 and subsequently reorganised and part of the freshly-recruited soldiers. This force has been created with the help of the Japanese military authorities. Many Japanese officers, either resigned or still belonging to the Japanese Army, have been engaged as military advisers and their number is increasing. Contracts with some of these officers have been made for the year. Japanese staff officers have been appointed by the Manchoukuo Government at Changchun. These troops are stationed or operating chiefly in the regions of Mukden, Changchun, Taonan, Tsitsihar and Tunhua and along the Chinese Eastern Railway (eastern branch) where they are engaged against forces not recognising the authority of the Manchoukuo Government The total number of the Manchoukuo Army is stated to have been 58,000 men at the end of March. The actual number is not reliable owing to the uncertainty of information regarding these troops at the present time.

The Local Police

(3) *Local police.* The number of this force is given at about 119,000, of which 60,000 are local guards. This police force is stated to be in the main a continuation of that existing before September 19. Its reorganisation is taking place with the help of Japanese officials.

(4) *Forces opposed to the Japanese troops and the Manchoukuo Army.* The Commission was informed in Peking by Marshal Chang Hsueh-liang that his forces outside the Great Wall on September 19, including non-fighting elements, numbered 60,000 for Fengtien Province; 80,000 for Kirin Province and 50,000 for Heilungkiang, a total of 190,000, of which number 50,000 from Fengtien Province were subsequently withdrawn within the Wall. This would leave 140,000 outside the Wall. The Japanese military authorities give the number of troops now remaining outside the Wall as 110,000, of which they state that 80,000 joined the Manchoukuo Army; 30,000 remained in the north east of Kirin in opposition to the Japanese and to the Manchoukuo Army and about 20,000 may have joined the so-called volunteer corps. The situation is described by them as follows:

(a) Portions of the former Chinese Army not recognising the authority of the Manchoukuo Government: (1) a force north-east of Harbin estimated at 30,000, stated officially by the Chinese to be composed of the Kirin Chinese Eastern Railway Defence Army under the command of General Li Tu and the Chinese Eastern Railway Guards under the command of General Ting Chiao. (b) Volunteers: (1) the so-called North-eastern Army of anti-Japanese volunteers in the western part of Fengtien Province, mainly south of Chinchow, estimated at between 15,000 and 20,000 men; (2) the so-called National Volunteer Army of the North-east under the command of Wu Ching-tsin, mainly operating around Mukden. The present strength of this force, which has had several encounters with the Japanese troops, is unknown.

Volunteer Army

(3) The Volunteer Army of Jehol. This comparatively well-disciplined body of some 3,000 men under the command of General Tang Yu-lin, which comprises remnants of the cavalry of Marshal Chang Hsueh-liang's 1st and 2nd Army, is reported to be active on the borders of Jehol and Fengtien provinces; (4) several minor volunteer corps operating partly in the Shanhaikwan region and partly between Tunhua and Tienpaoshan, where they are in touch with regular forces hostile to the Manchoukuo Government. The total strength of these irregular forces mentioned under Paragraphs I to IV is said to be about 40,000; (5) Bandits. The bandits who are now organised primarily for political purposes appear to have increased in number due to the disturbed conditions. They are reported by the Japanese to be scattered throughout Manchuria, especially in the part south of the Chinese Eastern Railway. The Japanese estimate their total number as 40,000. In addition to these a special bandit force of

12,000 north and east of the town of Kirin is said to be co-operating with the Chinese forces north-east of Harbin, mentioned under (4) (a) (1). Armed conflicts between these various forces are frequent. There are bandit raids, attempts of Japanese soldiers and of Manchoukuo troops to suppress them and fighting between various military forces attempting to maintain the new regime and those oppsoed to it. The result is loss of life, destruction of property and a general sense of insecurity.

Comments Withheld

Part III. The Commission purposely refrains from commenting at this stage on the facts and figures above recorded. The Japanese authorities maintain that they cannot withdraw their forces without endangering the safety of the lives and property of their nationals outside the railway zone. They appeared to consider that this withdrawal must depend on the progress of the reorganisation of the troops described as the Manchoukuo Army. The Chinese Government does not now exercise authority in any part of Manchuria and, as events have developed recently the practical question of the fulfilment of its responsibility has not arisen.

The possible and equitable measures which may restore peace and security and create a reasonable measure of good-will throughout Manchuria will be considered by the Commission in its final report. The Commission will visit Changchun next week and then continue its investigation in other parts of Manchuria.

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Commenting on the above report of the League Commission, Dr. Lo Wen-kan, Minister for Foreign Affairs in the course of an interview at Nanking May 7 said:

"The report of the Commission of Inquiry establishes the following facts relating to the three North-eastern provinces: (1) that the Japanese troops instead of withdrawing into the railway zone as is required by the resolutions of the League Council of September 30 and December 10, 1931, have caused further aggravation of the situation, since the adoption of those resolutions, by occupying the whole region of the three provinces and greatly increased in numbers with a proportionate increase in their activities; (2) that the rebellious army is entirely created, supported and directed by the Japanese; (3) that a large number of people is actively contesting the usurped authority of the Japanese; (4) that the Chinese Government has been prevented from exercising any authority, including the protection of life and property, in any part of the three north-eastern provinces, though it is fully prepared to undertake the fulfilment of its responsibilities under the resolutions above referred to.

"It is confidently hoped that after the Commission of Inquiry has completed its tour and concluded its labors, with the assistance of the Chinese Assessor, in the three North-eastern Provinces, more facts will be brought to light, leading to the speedy execution of the terms of the League resolutions and to the complete restoration of peace and authority in that part of China's territory."

Dr. Tsai Urges Public Trial For Noulens

Dr. Tsai Yuan-pei, President of the Central Research Institute, in a recent telegram to Wang Ching-wei, President of the Executive Yuan, recommended that a public trial should be accorded Mr. and Mrs. Noulens, alleged communists charged with subversive activities against the National Government, and that they should be permitted to engage legal assistance in their defence. In view of the international interest now focussed on this case, Dr. Tsai states, and of the efforts being made by many leaders of the intelligentsia in Europe and America on their behalf, full publicity should be given the trial and all assistance permitted by law should be accorded the prisoners. Continuing, Dr. Tsai declares that at this moment when China is seeking justice and sympathy from the world, she should not fail to offer justice and sympathy to others.

Replying to Dr. Tsai Yuan-pei's communication regarding the Noulens case, President Wang Ching-wei, in a telegram despatched May 5 declared that according to assurances given by Dr. Lo Wen-kan, who is Minister of Judicial Administration, the trial of the Noulens, which has already been commenced, will be carried out in strict accordance with the Chinese Criminal Procedure Law and that there will be no discrimination either against or in favor of the two accused,

President Hoover Urges Necessity of Balancing Budget

A surprise message was sent to Congress May 5 by President Hoover in which he declared that "fear and alarm prevail in the country." He said these feelings are due to the failure of Congress to balance the budget and because of attempts at inflation of American currency. The President demanded the prompt passage of the Revnue Bill and of economy legislation; also drastic reduction of expenditure totalling $700,000,000 which with the milliard dollar tax bill, would balance the budget and, he claimed restore business, employment and agriculture.

The President's message created a furore. Senator David A. Reed of Pennsylvania declared in the debate on the message that "what the country needs is a Mussolini."

The Secretary of the Treasury on the following day announced that the budget would probably be balanced, as the Senate Finance Committee had approved the new tax bill, providing for the raising of G.$1,400,000,000. Secretary Mills said that with Governmental economy, and without borrowing, this should cause the budget to balance. The bill included, in its final form, provision for a tariff of five cents gold a pound on rubber, tariffs on copper, lumber, petroleum and asphalt, four percent taxes on automobiles and automobile accessories, but no taxes on automobile tires. The income tax has been fixed at 4 percent tax on the first G.$4,000 of annual income and increasing to 55 percent on incomes exceeding G.$1,000,000.

Andrew W. Mellon American ambassador to England, vigorously refuted recent wild reports and rumors regarding conditions in the United States when he addressed a private luncheon given in his honor by the Lord Mayor of London at the Mansion House, May 6. "The country has determined that the Government shall set its own house in order and the public credit shall be protected at all costs," Ambassador Mellon said. "The confusion in Congress which you read about is merely disagreement as to the ways and means of doing this and it is almost inevitable that there should be some confusion under our system of framing revenue legislation."

Senator Borah from Idaho, chairman of the Senate Foreign Affairs Committee, put forward a three-fold program for world recovery in a speech in the U. S. Senate May 5.

Senator Borah's three points were world disarmament, the settlement of the reparations problem, and the restoration of silver to the place it occupied before 1925.

He expressed the opinion that a return to world prosperity was impossible unless these problems were settled. So far as silver was concerned, he said if the United States threw its influence behind the movement to restore silver to its old position, the movement would succeed. "But we have no leadership," was his parting shot.

Bonus Bill Rejected

The House Ways and Means Committee May 6 rejected by a vote of 15 to 10 the Gold $2,000,000,000 veterans' bonus bill of Representative Wright Patman of Texas, as well as all other bills providing for cash payments or adjusted certificates. House leaders had issued warnings that further cash payments would throw the budget hopelessly out of balance. Arguments in favor of the bonus included the pleas that business would be stimulated and that the veterans were in need.

Mrs. Elizabeth Short Is Honored by Child Welfare Association

A reception in honor of Mrs. Elizabeth Short, mother of the late Col. Robert M. Short, was held on the afternoon of May 5 by the National Child Welfare Association of China in the Child Welfare War Relief Orphanage in the French Concession, Shanghai. Mrs. Herman C. E. Liu, Vice-President of the Association, presided. Among those present were general Chu Ching-han, Director of Field Operations of the National Flood Relief Commission and Mrs. Chu, C. L. Cha, Assistant Director of Field Operations of the Commission and Mrs. Cha, and Jabin Hsu, personal representative of Dr. H. H. Kung, President of the National Child Welfare Association of China. The guests were shown around the institution by Andrew V. Wu, General Secretary of the National Child Welfare Association of China. Vice-President Mrs. Liu of the National Child Welfare Association delivered the address of welcome to Mrs. Short. Jabin Hsu delivered a speech of welcome on behalf of Dr. H. H. King.

Significant Military Developments in Canton

(*Special Correspondence from Canton*)

THE sensational political developments which have occurred in Canton during the last few days, threatening a resumption of hostilities in Kwangtung and more likely in southern Kwangtung because of the hostile attitude entertained by the navy and a portion of the flying corps' commanders against General Chen Chi-tang, the Commander-in-chief of practically all the Cantonese regiments in this province, have again made Canton the centre of political interest in China. The important happenings in Canton which led to the reorganization of the Flying Corps and dismissal of General Chang Hui-chang, until recently the undisputed commander of the Canton Government Aviation Administration, and the immediate reaction from the Naval Commanders loyal to Admiral Chen Cheh, a staunch supporter and for many years military associate of General Chang Hui-chang, have been reported from time to time through my cables to the *Review*, but the southern situation being more than unusually complicated it is deemed necessary to go further into the real causes of these sudden changes.

Air and Naval Forces' Co-operation

For a long time the Canton naval officials have been on the most friendly terms with the major portion of the aerial force officials. The latter group has split into two divisions, with part of it under the influence and encouragement of General Chen Chi-tang, which is under the leadership of Commander Wang Kwang-jui. Commander Wang was incidentally one of the successors to General Chang Hui-chang as head of the now entitled Canton Aerial Bureau. The hostile relations between the army and the Navy and Air Forces has been attributed to the distribution of funds by the Government, which being under the influence of the Commander-in-chief naturally made things much more easy for the army than for the Navy and the Air corps. The tension culminated to such an extent that the payment of salaries for the air officials was put months in arrears and it is said that in one of his most recent communiques to the Provincial Finance Commissioner General Chang Hui-chang complained frankly over the fact that the Government owed his department a sum total of about $300,000. But this somewhat peculiar relation between the army and navy could have lasted for some more months had it not been for the drastic measures adopted by General Chen Chi-tang during the last week-end in appointing his own candidate, Wang Kwang-jui, as the successsor to General Chang Hui-chang. The appointment caused the most disturbing apprehension among the naval officers and Admiral Chen Cheh, who sensed that his department would be the next to receive the blow of the army commanders' reorganisation scheme, left for Canton without first informing the Government.

Gen. Chen Chi-tang's Determination

But even the departure of the Admiral and his order for the concentration of the bigger gunboats including Chungshan and Feiying in the Hainan Islands in southern Kwangtung, which has for a long time been under the direct jurisdiction of Admiral Chen Cheh and his marines, and the secret departure of the smaller gunboats for the Chungshan district near Macao—which must be regarded as an unmistakable move against General Chen Chi-tang—has failed to make the army commanders postpone their determination to effect the drastic changes in the flying corps and navy. To the great surprise of all, General Chen Chi-tang summoned a session of the Southwestern China Political Council the following day in which he announced the abolition of the existing National Naval Department under Admiral Chan Cheh by appointing the latter as a High Adviser of the new Naval Department which in future will be controlled by the Army, or the First Group Army Corps of General Chen Chi-tang. The appointment of the new commander of the Naval Department has not been declared and in this connection General Chiu Kwei-cheung has been mentioned in many quarters as the most promising candidate in succession to Admiral Chen Cheh. Meanwhile the indignation of Admiral Chen Cheh on hearing his appointment to a minor post as an adviser can be left to the imagination.

Conference with Hu Han-min

Since his arrival in Hongkong Admiral Chen Cheh has been in constant conference with Hu Han-min, the former president of the Nanking Legislative Yuan, who is most alert over the Canton changes and may accept an invitation from the Canton politicians asking him to participate in the administration of the new military regime, in which case the south-western China situation is, indeed, fraught with important developments of a most grave nature. Admiral Chen Cheh may leave for Shanghai sometime next week to see Mr. Sun Fo, with whom he has been closely associating since last May. The Kwangsi military commanders, including General Li Tsung-jen and Bai Tsung-hsi in Wuchow and Nanning, have made no comment on the present change in Kwangtung but there is no doubt that they will be involved in the turmoil in the event of an outbreak of hostilities between the hostile Navy and the army now in control in Canton. The Government has placed five of the small gunboats which failed to leave the city in time under strict military surveillance at Whampao, which is near Canton Proper, but the attitude of defiance displayed by the Admiral and the commanders of the bigger gunboats has created no little amonnt of uneasiness in the community. Some of Admiral Chen Cheh's marines in Whampao have been disarmed by Gen. Chen Chi-tang after a futile and brief skirmish.

Hu Han-min has sent representatives to confer with the Kwangsi generals in Wuchow in the hope of finding support from them. So far the Kwangsi commanders have not commited themselves with any official statements and it will be most unsafe to predict their allegiance in the event of a war between the army and navy.

Relations with Nanking

So far the Canton developments relative to the reorganisation of the air and naval forces must be regarded as purely localised affairs taking into consideration that General Chen Chi-tang conferred with General Ho Ying-ching's representative, Tang Lung-kwang, as late as last week in Hongkong, in which General Chen Chi-tang expressed the possibility of his accepting the Nanking Government post as anti-bandit suppression commissioner of Kwangtung with headquarters in Canton. Discontented politicians opposing Chiang Kai-shek in Hongkong have seized the Canton changes as a means of furthering their propaganda against Nanking by predicting an interruption of the existing friendly bond between Canton and Nanking. It is officially announced that in a few days' time General Chen Chi-tang will issue a statement explaining the necessity for the changes in Canton.

The heavy expenditures required by both the Navy and Flying Corps for their respective maintenance because both departments under the Government here have been greatly expanded since the establishment of the independent National Government in Canton here last May have reduced the financial condition of the Government to the most stringent state. In this connection General Chen Chi-tang recently appealed to the Central Government authorities and General Chiang Kai-shek for assistance, resulting in an agreement being reached with Nanking whereby the latter consented to make a monthly contribution of about $1,000,000 for distribution between the Kwangtung and Kwangsi generals, mainly between General Chen Chi-tang and Li Tsung-jen, with an understanding that the bulk of the money will be used for the organisation of the anti-Communist expedition in Fukien. But even this undoubted concession from the Nanking Government seems to have failed to please the military powers here and they have been quoted as having demanded form the Nanking Government the free use of the Kwangtung and Kwangsi maritime customs surplus funds, which amount to approximately two million dollars a month, for the purpose of strengthening the national defence and expanding the flying corps in Kwangtung.

With this specific purpose in view the Canton Finance Commissioner, Feng Chu-wan, a Kwangsi Military Party candidate, visited Nanking recently to confer with the Nanking officials over the financial problems facing the Canton Government. After a series of conferences with General Chiang Kai-shek and Wang Ching-wei, Feng Chu-wan returned to the South about a week ago, at a time when runs on the Central Bank, the government banking corporation, occurred, resulting in a further depreciation of the Central Bank notes. It is understood that the Finance Commissioner in presenting his official report to the Government here expresses his opinion that the seizure of the Kwangtung maritime customs surplus funds was politically unwise, but he recommends a retrenchment scheme for the military administration. The Finance Commissioner's suggestion for the restoration of the Central Bank notes has also met with a cold reception from the military commanders.

Finance Commissioner's Resignation

Because of his disagreement over these major issues with the Government, Feng Chu-wan, tendered his resignation at the session of the South-western China

Chinese Government Railways

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The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

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Political Council May 5, which was accepted. On the suggestion of General Chen Chi-tang, Au Fong Po, a trusted partisan of the Commander-in-chief and former Mayor of Wuchow, was appointed as his successor. This appointment together with the other appointments in the Provincial and Municipal Governments in which practially all of General Chen Chi-tang's candidates have been chosen must be regarded as a significant indication that so far the General in command of the Kwangtung forces desires to establish his own regime with the military in supreme control in south China. The current reports of General Chen Chi-tang's new political alliance with Hu Han-min's political followers must, therefore, be accepted with reservation.

Canton, May 9, 1932.

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Naval Surrender to Nanking Predicted

(Special to The Review)

Hongkong, May 6, 1932.

Admiral Chen Cheh has secretly mobilized six thousand marines, aeroplanes and gunboats at Hainan Islands. Chen Cheh's subordinates have sent an appeal to Nanking requesting the Government to appoint Chen Cheh as civil administrator of Hainan Islands, to be operated independently of Canton. Yesterday Admiral Chen Cheh left for the Chungshan district, near Macao, where he conferred with the naval and aerial commanders who decided to offer resistance to General Chen Chi-tang. With few exceptions gunboat commanders have refused to surrender to General Chen Chi-tang.

Hongkong, May 9, 1932.

The revolted gunboat commanders have presented demands on General Chen Chi-tang suggesting the establishment of naval headquarters at Hoihow and Hainan and payment immediately by the Government of naval officials' arrears of salaries. Admiral Chen Cheh has issued a statement denouncing the organisers of civil strife—which observers predict may lead, possibly, to a naval surrender to Nanking. Chen Cheh and Chang Hui-chang have secretly sent representatives to Nanning to interview Li Tsun-jen and Bai Tsung-hsi to enlist Kwangsi military support to oppose Chen Chi-tang. As a precaution General Chen Chi-tang mobilised two regiments and gunboats on the West River so as to prevent the revolted gunboats from joining Kwangsi or organising an invasion of Canton.

Embargo on Gold Export from China Is Cancelled

The embargo on the export of gold, which has been enforced in many part of China particularly in Kiangsi, Hunan and Swatow, has been cancelled by order of the Ministry of Finance in identic instructions to the various Provincial and Municipal Governments. This order was issued in response to a petition from the Shanghai Chinese Bankers' Association and the Shanghai Native Bankers' Guild. Following the outbreak of hostilities in Manchuria and later in Shanghai, the local authorities in several places immediately placed an embargo on the export of gold with the result that an abnormal condition developed in financial circles throughout the country. Financial transactions were greatly hampered and the collection of customs revenues by the Government was also affected. It was pointed out in the bankers' petition that the Central Government should be in charge of matters regarding the general stabilization of the currency situation. Should any restriction be necessary on the flow of the metal it should done by the National Government in order to secure uniformity; no province or municipality should impose its own rules.

Sensational End to Honolulu "Honor" Trial

A sensational ending to the trial at Honolulu of Mrs. Fortescue and her son-in-law Lieutenant Massie, together with two enlisted navy men, took place end of last week when, following a conference at the Governor's palace, the four, who had been convicted, were sentenced by the judge to the maximum of ten years' imprisonment, only to be followed by the Governor commuting the sentences to one hour, this being the time during which the four were waiting at the Governor's palace. All the defendants in the case, including Mrs. Massie, who was to have given evidence in a charge against the four natives who allegedly assaulted her, are leaving the Hawaiian Islands immediately. The three naval men will continue in the service, but at some other station.

Japan Is in Manchuria to Stay

General Sadao Araki, Minister of War, in the course of a speech delivered in Osaka, April 23 definitely and unequivocally stated that Japan will not permit either the League of Nations or Soviet Russia or anyone else to interfere with what she means to do in Manchuria and that she will also resist, to the bitter end, any attempt to have the Nine-Power Treaty applied to that region. Declaring that Japan's mission in Manchuria "is to make it a paradise on earth", General Araki said that nothing will prevent "us from carrying our objective through and we are prepared to frustrate anyone or anything that may seek to stand in our path." He repeated that neither the League of Nations nor Soviet Russia, whatever form their activities may take, will cause Japan to deviate one jot or tittle from the plans she has laid out for Manchuria, and that their objections "will not mean anything to us, for we will pay no attention to whatever they may say."

With regard to the Nine-Power Treaty, the War Minister said:—"A certain country (an euphemism for the United States) is talking about applying the Nine-Power Treaty to Manchuria, but any attempt to do this will be resolutely resisted by Japan."

General Araki then referred to the military aspect of the Manchurian situation, especially to the position on the Manchu-Soviet border, which he said was becoming serious, General Araki asserted that the Soviet was massing troops along the frontier and strengthening its air forces in the Far East. He expressed himself as being absolutely unable to understand "these warlike preparations."

He estimated that the Soviet had concentrated four divisions of crack troops on the frontier and said that "whether a storm will break is a matter that we can only wait and see. The situation for Japan is, indeed, difficult, and it is time that the Japanese people firmly made up their minds to co-operate with the new regime in Manchuria."

Mr. Honda, one of the speakers at the same meeting in the course of his speech, said that the situation now confronting Japan is more critical than that at the time of the Russo-Japanese War. One faulty step, and Japan may be thrown into a hopeless abyss. If, on the contrary, she succeeds in tiding over the present crisis, a unique opportunity for her racial development will be within her grasp. Such being the case, he said, it is most important that the whole nation should unite for the accomplishment of the task that lies before it. To this end, the nation must have a clear idea of the Manchurian problem. The slogan "Manchuria is Japan's life-line (an important source of Japan's life)" is now in the mouth of every Japanese. There are three reasons for regarding Manchuria in that light. One is strategical, another is economic and the third refers to food supplies. Strategically, Manchuria forms the first line of Japan's national defence. At the time of the Sino-Japanese War, Korea was Japan's "life-line;" at the time of the Russo-Japanese War, South Manchuria. Now things are greatly different. Japan actually holds a corner of the Asiatic Continent and consequently Manchuria and Mongolia has become her "life-line;" Japan cannot, for a moment, bear the idea of being exposed to the menace of air attacks by a hostile army which has an air base somewhere in Manchuria or Mongolia.

Shanghai Power Reduces Amount of Deposit Required from Customers

The Shanghai Power Company has granted a concession in the matter of the amount of deposit to its consumers, this action following a protest from Chinese consumers on this point and also concerning the decision of the company to adopt minimum monthly charge. The Company in a recently published statement points out that it has applied a minimum monthly charge rather than a meter rental, because it is equitable and does not penalize or increase costs to the consumer who utilizes the service established for him by the Company. The purpose and equity of the minimum charge is a product of the necessity for giving a partial measure of protection to the supply company in connection with the provision of supply when subsequently utilization by the consumer is abnormally low and the return received thus fails to justify the costs involved. The minimum charge is definitely not designed upon a profit making basis, but rather as a measure of protection against unreasonable loss, the Company's statement says. The minimum monthly charge made by the Shanghai Power Company is represented by the nominal Tls. 1.25; namely one-third of Tls. 3.75 which was in effect prior to the establishment of monthly billing.

French President Assassinated---Was Former Governor of Indo-China

Paul Doumer, the President of the French Republic, was assassinated by a Russian named Paul Goygouloff at Paris May 6. He was in his 76th year. M. Doumer achieved his greatest fame prior to his elevation to the presidency as governor of Indo-China, where he strengthened the economic policy begun by his distinguished predecessor, M. J. L. de Lanessan. M. Doumer introduced in Indo-China a system of indirect taxation based on state monopolies of salt, alcohol and opium. These commodities he considered exclusively from the viewpoint of finance, ignoring the social and moral factors involved.

Goygouloff, the assassin, was arrested on the spot. His answers indicated that his action had been taken under the delusion that he was a Russian Mussolini or Hitler. "I am the founder and president of the Russian Fascists," he said. "I returned from Monaco on Wednesday to kill Doumer because France and other nations of Europe, as well as the United States, have been assisting Soviet Russia by furnishing money to ruin my country." Goygouloff said he had nothing against M. Doumer personally but he saw France was prepared to work with Soviet Russia and he wanted to bring France to declare war on the bolsheviks. He said he acted entirely alone.

The last official act of M. Doumer was to promote the French Minister to China, M. Wilden, to be a Minister of the First Class.

M. Lebrun was elected President of France at a sitting of the Senate in Paris May 10.

French Radicals Oust Tardieu as Premier

The elections in France held on May 1 and May 8 have resulted in a defeat of the Tardieu government by 319 votes to 261. The Radicals elected 149 delegates, the Socialists 129. M. Herriot, leader of the Radicals will succeed M. Tardieu, who has resigned. The new government, it is indicated, will follow practically the same program as the defeated conservative government on such matters as disarmament, reparations and war debts.

A Korean Truck Driver Sends Gift for Bomb Victims

A recent Tokyo telegram stated that General Araki, Minister of War, was very much moved by a letter and a purse of five yen accompanying said letter which had been sent to him by a Korean named Li Sho-kun, a motor-truck driver belonging to a silk filature in Nagano Prefecture. The letter expressed deep sympathy for the victims of recent bombing incident in Shanghai and asked the War Minister to send the humble gift enclosed to the victims. General Araki at once dispatched a personal letters to the said Korean and his employer.

Japan's Firm Grip on Students in Manchuria

Students of the North-eastern provinces will be deprived of the right of studying in schools within the Great Wall, according to a ruling of the Japanese. The Japanese are carrying out a registration of the people in Manchuria and have instructed all families to summon back their sons and daughters who are pursuing their studies in institutions within the Great Wall. Failing to do this, the family heads must pay a fee of ten dollars monthly for each student. Also, students are forbidden to enter Manchuria if their parents fail to register their names.

An International Dope Ring Apprehended at Calcutta

A Chinese woman was among a group of 45 persons consisting of Europeans, Chinese, Japanese, Indians and Peshawaris, who were charged at Calcutta recently with being engaged in a conspiracy extending from India to Japan to traffic in contraband drugs and fire arms. The opium was brought from Ramper, Jaipur, Delhi and other places in Upper India, sometimes in motor cars specially fitted with secret chambers. The shipments were dispatched in vessels to Rangoon, China and Japan; and from the latter country cocaine was imported.

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60-409

Is France Backing Japan?

BY W. COLEPEPPER

(Translated from the Weltbüne, Berlin)

WAR rages in the Far East. The League of Nations reveals its impotence. America and England grow nervous and protest to Tokyo. Only France, whose interests in China are likewise threatened, doesn't seem to care about what happens out there. Its protests to Tokyo are mere formalities. This tolerance of the Laval-Tardieu-Flandin Government toward Japan has given rise to the idea that France and the Mikado have a secret treaty together.

This is perhaps rather exaggerated and, therefore, easy to deny. None the less, certain rumors have begun to circulate that are difficult to disprove. It has been stated that France has given Japan free play in Manchuria in exchange for definite services rendered by the Japanese delegate on the Permanent Court of International Justice during the *Anschluss* affair. To the fact that Mr. Adatchi, the Japanese judge on the Court, voted for the customs union on September 5 the answer is that Adatchi is president of the Court and that this was a case when it was more prudent for him to vote independently. Others assert that Japan promised France its support during the Disarmament Conference. A third version is that Japan has an agreement with France in regard to the suppression of revolutionary propaganda in Asia and has promised Paris to co-operate in defending Indo-China.

There are also rumors that France lent Tokyo money last summer. On this point even the details are given. Five hundred million francs are supposed to have been disbursed by the Caisse des Prêts et Consignations, an institution that administers the funds for social insurance, through the agency of the Banque Franco-Japonaise. It has also been stated that two hundred and fifty million francs were handed over by various banks, including the Banque des Pays du Nord; the Banque de l'Union Parisienne, whose board of directors includes M. Schneider; and the Union Européenne Industrielle et Financiere, which he controls.

There is an old saying that where there is smoke there must be fire. What are the real facts? Is France working out a deep-laid scheme with Japan, and, if so, what are the indications that such a scheme exists? We might as well admit that there are a good many of them.

France and Japan Have Common Interests

Fact Number One: France and Japan have a common interest in opposing the revolutionary movement in Asia. The Japanese invasion of Manchuria aroused the sympathy of the French Government and General Weygand privately asserted that 'this action has strengthened the position of civilization in the Orient against Bolshevism.' In other words, Japan is playing the same reactionary, anti-Russian rôle in the East that France is in the West.

Fact Number Two: France's allies in Asia include not only Japan but also England, Holland, and Siam. A federation of Asiatic colonial powers is likely to be one of the most important results of the Disarmament Conference. Was n't it for this purpose that Paul Reynaud, the French colonial minister, visited Indo-China last autumn?

Fact Number Three: Aristide Briand wanted to prevail upon the Council of the League of Nations during its November and December session at Geneva to undertake military intervention against Japan. He was forced, however, to abandon his plan under the pressure of one of the most important members of tht French Government. This was the first time that Briand realized he was no longer master of French foreign policy.

An Article That Appeared Too Soon

Here is a fourth fact of equal improtance. On the first of September, eighteen days before Japan intervened in China, the *Revue Militaire Francaise*, which is controlled by the French Ministry of War, published a sensational article on the Japanese-Chinese conflict. The inside circle of this quasi official review explained that the article had appeared too soon, in other words, that Japan's intervention in China was supposed to have occurred last August. This means that the French Ministry of War knew in August that Japan would soon attack China. The explanation that the article appeared too early as a result of a mistake by an editor does not alter the case. On the contrary, it confirms this interpretation.

Fact Number Five: The French Government did not bestir itself until Japan had landed in Shanghai and fired on Nanking. It should be remembered that this fact confirms the statements of those who asserted last December that France would not dare to oppose Japan's policy as long as the treaty that the Japanese had concluded with Paris remained unbroken, that is, as long as Japan confined itself to Manchuria and Mongolia and did not threaten Peking or Shanghai or the Yangtze valley, which leads to Indo-China. Why is it, then, that pro-Japanese political circles in France now say that Japan is going a little too far? The answer is that Manchuria was not too far, but that Shanghai is.

Finally, there is a sixth fact whose importance should not be underestimated. Ever since early August, that is, six weeks before the Chino-Japanese conflict broke out, the Schneider-Creusot plant has been working at top speed for Japan.

None other than M. Eugène Schneider of Creusot has been directing the policy of the French Ministry of War for some years past. What is more, he has now triumphed over Briand and wants to assume control of the Foreign Office as well. It was his idea to create the Danube Federation and it was against his opposition that Chancellor Schober of Austria came to grief. His aim is to organize Europe against Soviet Russia in from five to seven years and, finally, he is the inspiration of French policy in Japan and China.

It is said that Japan procured French money through the assistance of the Banque Franco-Japonaise, which has branches in Paris, Tokyo, Kobe, and Yokohama. Is this true? The near future will tell, but one fact is certain. The president of the board of directors of this bank is Charles Dumont, minister of marine for France and a French delegate to the Disarmament Conference. Still more important is the fact that this bank is controlled by M. Schneider through the good offices of his brother-in-law and henchman, the Count of Saint-Sauveur and through former ambassador Maurice Paléologue. Schneider's brother-in-law is also a member of the board of directors of the Union Européenne Industrielle et Financiere, a creation of Schneider's that controls 'Skoda' and all the munition factories in Hungary, Yugoslavia, Rumania, and Poland. Whether France has actually given Japan money or not is open to question, but it is certain that the minister of marine is in the closest kind of touch with those who are selling cannon to Japan. Everyone will now understand why the whole official French press and the Comité des Forges resolutely defends Japan and proclaims that China attacks Japan and not Japan, China.

But there are still some missing links. Every real munitions maker who has any self-respect at all, whether he is French, English, German, or American, has a divine duty to sell armaments to both hostile powers, and we can rest assured that M. Schneider has fulfilled his patriotic duty. One of his puppets, M. Litzellmann, with an office in the Schneider works, represents his chief in the Société Franco-Chinoise des Constructions Metallurgiques et Mécaniques Kiou-Sin, located at Shanghai. Georges Philippar, the president of this commpany, collaborates with Admiral Lacaze, Théodore Laurent and the Count of Saint-Sauveur, all of whom are connected with the Comite des Forges. M. Schneider is taking good care that the prices of raw materials increase.

Grants-in-Aid to Chinese Schools to Be Made by S. M. C.

The Shanghai Municipal Council has promulgated the regulations under which grants-in-aid to Chinese schools within the International Settlement will he made. In the case of schools registered with the Bureau of Education for Greater Shanghai, applications are in the first instance to be submitted to that Bureau, from which application forms may be obtained; in the case of schools not so registered, applications should be submitted to the Superintendent, Education Department, Administration Building. The Council stipulates that while patriotism and good citizenship should be encouraged in all schools, no instruction likely to offend national susceptibilities or to create interracial animosity shall be permitted. The allotment of grants-in-aid will be based on the quality of the work done, the financial reeds of the school and the number of pupils in regular attendance. The Council will decide each year whether a grant shall be made and for what purpose it shall be applied. A grant shall not be made to any school until it has been in existence one full year. The grants will be paid quarterly, and may be revised or discontinued at any time for any sufficient reason.

Huge Cost of Japan's China Expeditions

According to the Tokyo *Jiji* the Finance Department of Japan is finding it difficult to provide the money demanded by the various Departments on account of the Manchuria and Shanghai affairs. It has for some time been negotiating with the Departments concerned for the reduction of the sums asked for, but the latter show no inclination to comply.

In the fiscal year 1931-1932 the defrayals in connection with these affairs amounted to Yen 100,000,000, and the burden is much heavier in the present fiscal year. The most recent estimates laid before the Finance Department for approval are as follows:—

Foreign Office	Y. 22,000,000
War Office	205.000,000
Navy Department	50,000,000
Department of Overseas Affairs	3,050,000
Korean Government	2,000,000
Kwantung Government	3,000,000
Total	Y. 285,050,000

If to this is added the vote of Yen 60,000 000 already approved by the Diet at the last extraordinary session, the total reaches Yen 345,000,000. In existing financial circumstances, the Government has no alternative but to make the Bank of Japan subscribe to all the public loans to be raised in this connection. Some time ago, Mr. Takahashi, the Finance Minister, reached an understanding with the authorities of the Bank of Japan that the Bank should subscribe to a maximum extent of Yen 220,000,000. Contrary the Finance Minister's expectations, however. the estimates of the various Departments exceed Yen 345,000,000, as already mentioned. As the defrayal of Yen 60,000,000 out of the total had the approval of the Diet already, the Finance Department finds it neeessary to cut down the estimates now before it, amounting to Yen 285,000,000, to something like Yen 160,000,000. The negotiations hitherto held with the Departments concerned with this end in view have brought little result, owing to the strong attitude of these Departments.

Bank of Japan to Issue More Notes and Increase Capital

The Japanese Department of Finance recently completed drafting its plan for the projected reform of the Bank of Japan. In article Two of the existing Act for the convertible note issue the Bank of Japan is allowed to issue bank notes up to Yen 120,000,000 on security of national bonds, treasury bills and other reliable papers or commercial bills. It is now suggested that this limit shall be extended to Yen 800,000,000. This suggestion is made on the assumption that Japan can maintain a gold reserve of Yen 400,000,000. This is in conformity with the world standard to issue convertible notes with one-third specie reserve.

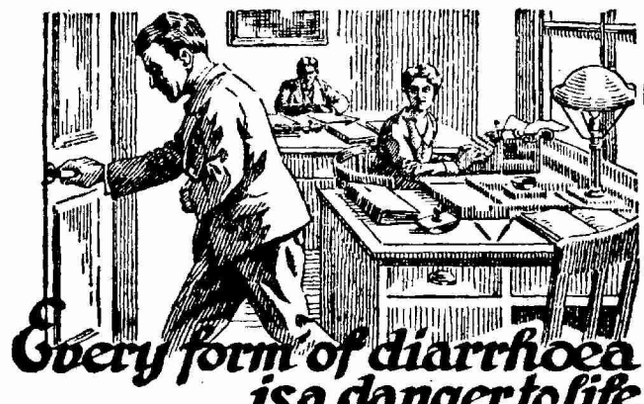
The Japanese Government has also decided to introduce in the extraordinary session of the Diet this month a bill to provide for a reform of the Bank of Japan. The bank therefore contemplates increasing its capital, particularly in view of the extension in the security reserve note issue limit, as well as the adoption of the "contribution" system. In order to effect an increase in the capital, the bank must first, however, make a call on unpaid capital, of which Yen 15,000,000 is outstanding. Arrangements are now being made to make such a call in the near future.

The "Auxiliary" Capital at Sian

The National Government has promulgated a set of regulations governing the organization of the Special Committee to take charge of preparations for the establishment of the auxiliary capital at Sian (Hsi-an) to be known as Hsi-king. The Committee is to be composed of 15 members to be specially invited by the Government. In order to facilitate its work, the Committee may avail itself of the services of technical experts in the various Government departments.

Care of Passports Is Stressed in Recent U. S. Consular Notification

Owing to the increasing number of passports which are lost annually by American citizens residing in China, the United States Consulate has issued a notice stressing the importance of keeping passports under lock and key, and never sending a passport through the mails, unless registered. It is pointed out that an American passport is accepted as evidence of American citizenship and the absence of a passport might lead to considerable embarrassment and inconvenience.



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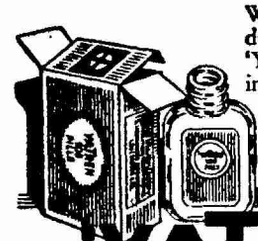

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The Case for a U. S. Boycott Against Japan

Frank J. Dressler of Buffalo, N. Y., wrote the following letter to The Nation, New York, April 6:

When a great problem such as the situation in the Far East today, with all its inherent implications for the future state and organization of the world, confronts a people, it is their duty to consider that problem in all its aspects and then determine on a line of action which will improve that situation. Undoubtedly any such action may affect adversely many people both at home and in the Orient. But this should not prevent them from acting, when by their failure to act they may well bring about far greater disaster.

Today there is a war going on between China and Japan. Is it not foolish to believe that this war will be stopped by our earnest hopes for peace? Is it not foolish to think that anything short of force will stop the mad actions of the Japanese war party, a party which has already shown its utter disregard for the opinion of the rest of the world? True, as you say, an economic boycott is an instrument of war, but do not forget that you are dealing with a war and with a group of people acquainted only with the instruments of force. Have not the well-meant words of the League of Nations Council and Assembly been as futile in stopping the Japanese legions as would be the actions of the well-meaning English clergymen who would stand between the two armies and stop their bullets?

In an editorial you attempt to analyze the effects of an economic boycott on Japan, on the one hand, and the United States, England, and France, on the other. You contend that in Japan the force of such a move would fall on the innocent men, women, and children who would be forced out of work and impoverished by such an act. In America you point out that the cotton industry in the South and the silk industry in the Northeast would suffer and that consequently many Americans would be thrown out of work. Apparently China and the effects of such a boycott on the Chinese were not considered of sufficient importance by your writer even to deserve mention.

For several years Japanese industry has been badly upset. The credit stringency in 1927, the deflation caused by the return to the gold standard in 1930, the inability to sell goods in China because of the boycott, and the fall of England from the gold standard have quite generally upset Japanese industry, with consequent unemployment and suffering for many of the workers. To counteract this crisis the militarists in control launched the punitive expedition against Shanghai to break the boycott and secure recognition of their claims in Manchuria.

What has been the result? The government has been compelled to borrow and spend large sums to carry on the war, thereby complicating the already delicate task of balancing the budget. Surely this burden which is being added to the backs of the Japanese people is not going to improve either their immediate or future condition. What is more, the dislocation of industry which the war has already caused, and which will continue if the war continues on the scale apparently necessary to conquer China, is not going to improve the industrial stability of the country. It would appear, therefore, that the policy of the Japanese government is bound to bring untold suffering to the people, even if it is successful.

Let us now turn to the United States. Undoubtedly the shutting off of the source of supply of our silk and of one of our best cotton markets would be felt by the silk and cotton industries. It is not likely, however, that an international boycott of Japan would be of long duration, and because of her dependence upon the United States today for raw cotton imports and silk exports it would not be long before trade would be resumed. Cotton sold to Japan is not used by the Japanese. These supplies are manufactured into cotton goods and sold abroad. In fact, in 1929 Japan exported more than three times as much cotton goods as the United States. If a boycott were to last indefinitely, undoubtedly the United States or Great Britain would take over a large part of this trade in cotton goods and thus the demand for raw cotton would be increased either at home or in Britain, already one of our best customers. Moreover, Japan has extensive interests in the production of cotton in China. If she were to carry out her conquest of China unhindered, she undoubtedly would extend these interests to the detriment of the American cotton industry. In this connection it is well to bear in mind that China is the third largest producer of cotton in the world.

With regard to the silk industry Japan has to depend largely on the United States for a market for her silk and it is doubtful that she would deem it either wise or possible to cut off her exports to this country for long. What is also evident is that the silk industries, because of the drop in their activities caused by the depression, are not among the vital industries of the country and undoubtedly a large part of the money and men employed in this field would be transferred to the manufacture of rayon were the silk supply to be cut off for any appreciable time. We see, therefore, that the damage that would befall the United States by a boycott of Japan is not beyond repair, and it is quite possible that the trade advantages of maintaining China as an independent country and an open market for our goods would far surpass any temporary loss we might sustain.

Let us now consider China, for in her existence rests all the hope and faith for a world order and international peace. The nations of the world have pledged themselves to maintain her territorial integrity, and if today they are to content themselves with the utterance of harmless and impotent words while Japan slowly but surely dismembers China, the people of the world cannot continue to place faith in the ability of these existing governments to secure peace.

Does it not seem, then, that although some American pocket-books might temporarily be injured by a boycott, it would be to the interests of America to carry out such action if the Japanese do not immediately stop their aggression in the East.

Yangtze River Rises as Result of Recent Rains

The gradual rise of the waters of the Yangtsze River as a result of incessant downpours end of last week has aroused fears that there may be another flood in Hankow. The Hupeh Provincial Authorities having learnt a bitter lesson from last year's catastrophe, are however alert and ready for any emergency. They have accordingly decided to orgarize an Emergency Flood Prevention Committee as soon as the watermark at the Customs registers 47 feet—when the flood menace is considered sufficiently serious.

In the meantime, refugee camps at several points are about to be closed as conditions do not warrant further dispensation of relief. The camps affected by this decision of the Wu-Han Flood Rehabilitation Committee are situated at Tsaitien, Hengtien, Tsingshan, and Shihchu.

German Newspaper Man Arouses Ire of Manchukuo

A recent *Rengo* message from Changchun in noting that the Government of Manchukuo had announced that foreigners living in Manchuria, whose words and actions are undesirable for the new State, are to be deported, stated that Mr. "Berters", President of the *German-Chinese Daily News*, (evidently Mr. Bartels of the *Deutsch-Chinesische Nachrichten*, daily German newspaper in Tientsin) had recently left Manchukuo for Tientsin, following his having been examined by the local authorities on account of his undesirable conduct.

Gen. Huang Shao-hsiung Takes Office as Minister of Interior

General Huang Shao-hsiung, well-known Kwangsi leader, assumed his new post as Minister of Interior May 2. It will be recalled that the resignation of General Feng Yu-hsiang as Minister of Interior was accepted by the Government recently, General Huang being appointed as his successor. President Wang has been acting for some time as concurrently Officiating Minister of Interior in the absence of General Feng.

Acting Secretary of State Opposes Boycott Against Japan

William R. Castle, Acting Secretary of State, in a speech at New York May 5 denounced the idea of a boycott against any other nation. He severely criticized the concept of force on which, he held, the League of Nations had been founded, and advanced as a new keystone in international law the "Hoover Doctrine"—that no territorial gains in violation of the Kellogg Anti-War Pact should be recognized.

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THE CHINA WEEKLY REVIEW

38 AVENUE EDWARD VII SHANGHAI

Men and Events

The annual meeting and dinner of the Community Church Congregation of Shanghai was held in the Church Auditorium Wednesday evening, May 11.

Makato Yano, Councillor to the Japanese Legation at Peiping, arrived here during the week to carry out the duties of the office of Minister pending the recovery of Mr. Shigemitsu.

R. Lacy Smyth, American consul in charge of the land office at the Shanghai American consulate general, is preparing to leave Shanghai in June on long leave at his home in California.

The new customs agreement between Japan and French Indo-China was signed at Paris May 7 by M. Andre Tardieu, Foreign Minister of France, and Haruichi Nagaoka, Japanese Ambassador to Paris.

A recent message from Osaka stated that the outlook of the Japanese spinning industry is very gloomy, the position having been made worse by the opening of the Japanese cotton mills in China.

Prof. Harold Rugg, Chairman of Education, Teachers College, Columbia University, addressed the Pan Pacific Association on "International Education," at Ladow's Tavern, Shanghai, Friday, May 13.

The French Police in Shanghai May 5 arrested nine gamblers including three women and a Czechoslovakian, named Harry Yenten, at 341 Rue Cardinal Mercier. Various gambling paraphernalia was seized.

The Ministry of Communications has appointed Chung Hsi-cho as director of the general affairs department succeeding General Huang Chang (resigned), who is now serving as Chief-of-Staff of the 19th Route Army.

Admiral Chen Shao-kwan, Minister of the Chinese Navy, has tendered his resignatian owing to the allegations made in certain quarters in regard to the "weak" attitude of the Chinese Navy during the recent hostilities at Shanghai.

Wang Ching-wei, President of the Executive Yuan, on May 4 issued a statement on the Sino-Japanese Conference at Shanghai in which he strongly denounced the assault upon Quo Tai-chi, China's Chief Delegate at the Conference.

H. G. W. Woodhead was elected chairman of the Shanghai British Residents' Association May 6, in place of A. W. Burkill, who resigned on account of his impending departure for England. Ranald G. McDonald was elected vice-chairman.

According to the latest police statistics, the population of Harbin is estimated at 170,000. This figure includes both Chinese and Foreigners. There are over 70,000 Russians, of whom about 40,000 are emigrants. The rest are Soviet citizens.

Mrs. Elizabeth Short, mother of the late Colonel Short, and her younger son, Edmond, who were scheduled to depart from Shanghai Tuesday, May 10, by steamer for Tientsin, have delayed their departure.

The China National Aviation Corporation is planning for the operation of a Shanghai-Tientsin air-mail and passenger service in the near future. It is understood that the route to be traversed will be along the coast, with stops at Tsingtao and Haichow.

Hopes of a harvest in Hopei and Shantung provinces are revived by the copious rain which fell end of last week, after weeks of drought. The wheat crops, which were parched and dried, are now likely to be saved, a recent telegram from Peiping stated.

Mr. Shigemitsu, the Japanese Minister, who underwent an operation in which his right leg was amputated, is reported to be progressing favorably. The other victims of the bomb outrages, now in hospital, were reported to be making good progress toward recovery.

The death occurred at Knoxville, Tennessee, May 6 of C. S. Cunningham, brother of Edwin S. Cunningham, American Consul-General at Shanghai. Deceased was killed by a bough of a tree falling on him while he was at work on it in his profession as a tree surgeon.

A Nanking message states that China will send some of its choicest products to the Centenary Exposition of the City of Chicago to be held next spring. Chen Kung-po, Minister of Industry, will proceed on a tour to America and attend the Exposition as China's delegate.

An American negro named Lewis was found dead in his quarters in the Anderson and Feroggiaro garage, Shanghai, May 7. Evidence at the inquest showed that he was a heavy drinker. Dr. W. D. Nance gave it as his opinion that Lewis had fallen from a bed and broke his neck.

Two Japanese officers in the Shanghai area are reporting missing; they have not been seen since 2.30 p.m. on Sunday, May 8, when they were last seen on Szechuen Road. Both, Lieut. Nagashima and Sub-Lieut. Tachibana, wore army uniforms and carried short swords and their pistols. Each was said to be 30 years of age.

Madame Flora Rosemberg, barrister-at-law, departed from Shanghai for Paris April 11 via Siberia. She is due to return to Shanghai by the middle of July. Madame Rosemberg was the first woman lawyer to be admitted to practice by the Nanking judicial yuan.

Dr. Wo Chiang Lin, representative of the Bureau of Aeronautics, who came to Shanghai to attend the funeral of Col. Robert McCawley Short and also to participate in the public reception for Mrs. Elizabeth Short, mother of Col. Short, returned to Nanking beginning of the week.

Mrs. Cecil Chesterton, well-known British author and playwright, was due to arrive in Shanghai with a woman companion on May 13. The authoress intends to journey up the Yangtsze River in a native junk, in order to gather material for a new book. She will later go to Japan.

Dr. Tawara, director the of Medical College, Dr. Arakawa, director of Engineering College, Dr. Kanokogi, director of Law and Literature, and Dr. Kubo, director of the College of Agriculture, of the Kyushu Imperial University, are making a two-weeks tour through Manchuria.

According to investigations made by the Social Bureau of the Japanese Home Department the unemployed throughout the country totalled 485,290 on February 1 this year. The Japanese newspapers are urging the government to introduce a dole at the forthcoming session of the Diet.

The Japanese military authorities found their telephone lines cut near Woosung May 5. The Japanese garrison turned out with several hundred men to find the miscreants but without success. They did, however, discover 800 rounds of rifle ammunition and 20 hand grenades near the spot where the wires had been cut.

Following the signing of the Sino-Japanese Shanghai peace agreement, Sir Miles Lampson, British Minister to China, proceeded to Peiping. Admiral Sir Howard Kelly, Commander-in-Chief of the British China Squadron, who initiated the peace negotiations, proceeded to Weihaiwei, convoyed by several British war vessels.

A recent Washington dispatch reports that Katsuji Debuchi, Japanese Ambassador to America, will remain in the Capital of the United States throughout next summer and autumn, contrary to the press reports that he is planning to return to Japan shortly and would be replaced by Vice-Minister of Foreign Affairs Naga.

Richard Porter Butrick, American consul, at St. John, New Brunswick, has been ordered to duty at Shanghai by the Department of State at Washington. He is due to arrive here early in July, Mr. Butrick, who has served in China before is bringing with him his bride of a few weeks. He was married on May 5 last.

C. Dewing, assistant commissioner of police and quartermaster of the International Settlement force, is retiring from China after 30 years of sevrice. Mr. and Mrs. Dewing are returning to England via Australia and South Africa. Mr. Dewing joined the local force in 1901 by special appointment, holding the rank of sergeant.

A total of $79,156,238, was collected by the National Government last year in the form of consolidated taxes, it was announced at the Ministry of Finance in Nanking May 4. The revenue was derived from five sources, namely taxes on rolled tobacco, cotton, flour, matches, and cement; rolled tobacco (cigarettes) heading the list with a monthly average of $4,600,000.

Sir John Simpson, director of general operations of the National Flood Relief Commission, visited Hangchow May 5 in company of Robert McMullin, travelling secretary and director of inspection of the commission, from Shanghai. Sir John later proceeded to the Yuhang and Changhua districts for the purpose of investigating conditions there after the recent floods.

Prof. Russell M. Story, head of the department of political science and law of Pomona College, California, who has been in Shanghai for some time, departed this week for North China and Manchuria on his way home to the United States. Prof. Story has been in China for practically a year, serving as exchange professor at Yengching and other schools.

Edwin S. Cunningham, American consul general and senior consul, and Mrs. Cunningham were "at home" to the officers of the 31st United States Infantry May 6. Approximately 150 American civilian residents, many accompanied by their wives, attended the function, which was held for the purpose of giving the military and civil population an opportunity to become acquainted with each other.

Wang Chang-chun, personal representative of General Chen Yi, Vice-Minister of War of the Nanking Government, called upon the victims of the Hongkew park bombing incident May 4. He visited General Y. Shirakawa at the Army hospital, and later paid visits to Lt.-General K. Uyeda, Vice-Admiral K. Nomura, Minister M. Shigemitsu, and Consul-General K. Murai, and expressed sympathy on behalf of General Chen.

Who's Who in China

宋 天 才
Sung Tien-tsai

Sung Tien-tsai, military officer; born at Sung-hsien, Honan; joined the military service, 1917; attended the Military Acedamy, Shensi, 1925-26; had served as battalion, regiment and brigade commanders of Chen Sung Chun, under commandant of General Liu Chen-hua; became commandant of the 65th division and soon rose to the rank of the chief commander of the 32 army corps of the 20th route army, 1930; now commandant of of the 75 division of the Nationalist Revolutionary Army.

宋天才，河南省嵩縣人，一九一七年入伍，一九二五至二六年，肄業于陝西軍事專門學校，曾團長，營，旅，于長勝軍，軍長劉鎮華部下，旋卽升任第六十五師師長，一九三〇年，任第二十路軍第三十二軍軍長，現任國民革命軍第七十五師師長.

The Matter of Cotton Shipments from U. S. A. to Japan

Recent Japanese trade reports have referred to the fact that one of the reasons why there is a relatively high proportion of exports as compared with imports into the country is that there have been enormous shipments of cotton from the United States to Japan, these shipments still continuing. Commenting on the foreign trade of the United States the National Foreign Trade Council in a recent circular mentioned that Japan imported from the United States twice as much cotton in 1931 as during 1930 and this seemed to suggest a renewal of industrial activity in the Far East. It was mentioned that Japan. because of the extremely low prices of American cotton, was able to acquire a volume increase of 97 per cent as compared with 1930 at a cost increase of only 27 per cent.

In this connection Grover Clark, former editor of the *Peking Leader*, at present in New York, recently wrote to the *New Republic* pointing out that much of the cotton shipped during the latter part of 1931 (and this probably is also true of much that is has been shipped during the first part of 1932) was bought for forward delivery by the Japanese spinners last year in anticipation of the fall in the value of the yen.

Charlie Chaplin Passes Through Hongkong

A special telegram to *The Review* from Hongkong May 10 stated that Charlie Chaplin and his brother Syd had arrived there that morning on a Japanese steamer. He visited several interesting places in Hongkong including Chinese motion picture studios. The party departed the same afternoon for Japan. Chaplin said in an interview that his next picture was not going to be a talkie. He considers the "talkies" interesting but does not think they have improved the motion-picture art, as interest and art were two different things. He said he found more interest but less art in the "talkies." Chaplin said he would be returning to America in three months and would produce his own picture, which he said will utilise synchronised sound similar to the system used in "City Lights." He said he had not yet decided on the title of the picture.

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New Books of Interest in the Far East

The Conflict in Manchuria

Manchuria: Cockpit of Asia. By Colonel P. T. Etherton and H. Hessell Tiltman. Jarrolds, publishers, London.

This is the first of a harvest of new books from the Manchurian battle fields. The authors, a former British consul-general and an English novelist, have shown commendable enterprise in getting the story together so quickly. But unfortunately it reveals numerous marks of hasty compilation.

There is nothing new in *Manchuria: The Cockpit of Asia.* I suppose it was not meant to be a carefully accurate or comprehensive study, and for the average reader who knows little of the East it will probably suffice. It gives a sketchy narrative of the early history of Manchuria, some exposition of the economic factors behind international rivalries, and a resume of events in the twentieth century. It deals briefly with the Japanese military action from September 18th and describes in general the attitude of the powers. It is for the most part a summary of the news dispatches that have come out of Manchuria and a compilation of statistics furnished by the South Manchuria Railway. The authors do not seem to have consulted a wide range of sources. If they have referred to any of the standard works of authorities on the country, they have not given them credit in their text.

On the whole the tone is sympathetic toward the Japanese policy. Besides the South Manchuria Railway's "Report on Progress" practically the only other references quoted, other than newspaper comment, are Japanese propagandists. A number of statements are made which easily may be traced to dubious Japanese sources, but for which the authors are apparently willing to take responsibility, as they make no direct quotation. The evil in this is not so much that the propaganda is given print, but that it is generally represented as bald fact, with no qualifications. I should say the same thing if unproved Chinese contentions were employed, but I cannot recall any instances where the authors have found it necessary to quote from a Chinese writer or historian, or even from the more prominent European and American authorities.

In an attempt, perhaps, to cover an extensive subject as simply and cursorily as possible, Messrs. Etherton and Tiltman repeatedly involve themselves in the use of half-truth, often are evasive in their discussion of controversial matters, and frequently make extraordinary generalizations based on rumor or assumption. Thus, a reference is made to notorious old Li Hung-chang, who was a viceory under the Empress Tzu-hsi. It is alleged that he once remarked that an office was worth in proportion to the amount one got out of it. "From this simple premise," moralize the authors, "we can gauge the system of bribery and peculation that goes on unchecked throughout China." They say that China extended the Japanese lease on the S.M.R. for 99 years, but neglect to point out that this was done through a treaty never ratified by the Chinese Parliament.

They say, while discussing extraterritoriality as it applies to the Manchurian situation, that: " . . . a prisoner (in China) is considered guilty until he is proved beyond all doubt to be innocent, and his trial before a court has for its main object the establishment of the charge of guilty and determining the punishment he shall undergo." Apparently the authors are unaware that China has promulgated a new legal code (which, it is true, is not widely applied) comparable to the best systems of Europe and America. Hence they submit from the above that: "This in itself shows the dangers confronting anyone who may be subject to Chinese law."

One injustice is done the Japanese, but it was apparently necessary in order that the authors' central theme might progress. They liberally quote from the so-called Tanaka Memorial without explaining the nature of it, or where they got hold of it. Despite its well-known doubtful authenticity the document is here introduced as an established fact, and from it broad general conclusions are drawn to support the main contentions of the book.

Again, it is averred that the building of new Manchurian railways by the Chinese has been "an aggressive policy aiming at the construction of a network of lines in the same region (as the S.M.R.) which would, when completed, draw off a large share of the traffic at present carried by the South Manchuria line and in time reduce this Japanese investment to a position when further profitable working or extension would be impossible." It is claimed that these lines are all built purely for political reasons. It is claimed that such construction violates the protocol attached to the Treaty of 1915. No mention is made in this instance, however, of the fact that many of these lines touch country unserved by the S.M.R., that several others are vitally important from a military defense and strategic standpoint (as was illustrated during the Sino-Soviet hostilities of 1929) and that the protocol mentioned does not, according to the testimony of the highest Chinese government officials, exist.

The authors give all the stock Japanese complaints and arguments, many of which are charges of Chinese violations of rights supposedly derived from the disputed Treaty of 1915—the 21 demands. Other Japanese charges against Chinese administration in Manchuria are put down as uncontested truth when, as a matter of fact, many of them have been fairly well controverted by Chinese and independent testimony.

The Japanese bugaboo of bandits is taken very seriously. Japan's apprehension over the spread of bolshevism is also regarded gravely. Messrs. Etherton and Tiltman appear to have had some experience in India and they digress to show analogy between the Hindu and Moslem attitude toward the "Red menace" and that of the Chinese. They endeavor to leave you with the reassuring notion, however, that the tenets of Moscow will never get a real foothold in China. I think the following paragraph throws particular illumination on the authors' mentality and knowledge of China:

> "The Bolsheviks consider that Communism finds favor among the Chinese. On the contrary, its progress is negligible for its principles interfere with private trade, which is vital to the Chinese, whilst they strike at private liberty, a leading feature in the social life of the nation. Moreover, although it may not develop, there is a feeling in favor of the restoration of the monarchy on sound constitutional lines, for a republican form of government is not suited to the Chinese temperament."

You would like to ask why, if the progress of communism finds few adherents in China, the Kuomintang was able to win the nation in a few months with the aid of the C. P., but has lost it since the alliance was broken. You would like it explained why, if communism is unattractive to China's masses, 50 million people are today living under Soviet flags in Kiangsi, Hunan, Anhwei, Hupeh and elsewhere. You would also like to hear why the present government expedition of sixteen divisions is engaged in fighting the Soviet armies, if Red progress is "negligible." Then, after you had heard the answers of Col. Etherton and Mr. Hiltman, you would like to refer them to Dr. Patrick Givens, British head of the local C.I.D. whose efforts are largely bent toward combatting the "negligible progress" of Communism.

As for "the feeling in favour of the restoration of the monarchy," this seems to be a hallucination that thrives principally in the sentimental minds of retired British consuls-general, who pine for the "good old days" when a yellow man appreciated his inferiority in the scheme of things.

The authors give the Japanese version of the Wanshaopan incident and do not mention the Chentiao affair. They accept without question the Japanese explanation of the cause of the seizure of Mukden. They tell of the murder of Nakamura but say nothing of his activities as dope peddler and spy and fail to point out that several Chinese were sentenced to death for his murder the day prior to the Japanese occupation of Mukden. Only Japanese versions of the Nonni Bridge affair are given.

Although an attempt is made in early chapters to be impartial in presentation, the authors weaken as the book progresses, and the treatise takes a reactionary turn. Thus, you find them echoing the Japanese military idealism that asserts it is making a "paradise on earth" of Man-

churia. "China," they proceed, "will secure a settlement at least as generous as her own record entitles her to expect, and one that may be more in the interest of Manchuria as the Promised Land of Asia than an unqualified return of that land to a Chinese Government which is notoriously unable to maintain within its territories the conditions of law and order without which no region, however rich in opportunities, can prosper."

You are further assured that: "The Manchurians themselves apppreciate the sense of security and orderly administration prevailing, which, to a people threatened with growing misrule, must appear as a dream. The Japanese have certainly shown restraint, and the discipline of the troops, coupled with their attitude towards the inhabitants, is at least an item in their favor." This sanguine opinion appears to have been formed by the authors in the comfort of their London lodgings, for it hardly coincides with the view of men on the spot, such as the League of Nations Commission which, in its first report to Geneva, characterized the present situation in Manchuria as "complete anarchy."

Better books will be written on Manchuria and readers are advised to await their publication. E. S.

Recent Pamphlets Received

The address by Russell McCulloch Story, professor of Political Science, Pomona College, California, on "The Present Situation in China" before the North China Language School, Peiping, has been reprinted in a brochure.

Copies have been received in Shanghai of the annual report for 1931 of the director (Nicholas Murray Butler) of the Division of Intercourse and Education of the Carnegie Endowment for International Peace. It is mentioned that $20,000 (Gold) had been contributed for the meeting of the Institute of Pacific Relations conference which was to have been held in Hangchow last October.

The Chinese Republic is the name of a new weekly journal established by Edward Bing Shuey Lee in Shanghai, the first issue having appeared May 7. Mr. Lee was editor of *The Leader* at Peiping until said journal was closed as a result of repeated demands of the Japanese military authorities in Peiping. *The Republic* is replete with timely editorials and special articles. The editorial articles in the initial number included the following: Colonel Short—Symbol of Right and Justice; Hitler's Recent Victory in German Politics; The Honolulu Honor Slaying and Repercussions; Sino-Japanese Treaty for Cessation of Hostilities Signed in Hospital; Economic Exploitation vs. Encouragement of Home Industries. There were also special articles by Julean Arnold, U.S. Commercial Attache, B. Y. Lee and Richard L. Yen.

Chinese Want to Continue Resistance Against Japan

According to reports appearing in recent Shanghai Chinese newspapers, the Shanghai Anti-Japanese and National Salvation Association May 5 decided to send a telegram to the Peiping Municipal officials to cancel their previous order instructing the Chinese of that city to stop their anti-Japanese Boycott and other anti-Japan agitations. The Shanghai Chinese resolved that the anti-Japanese movement must be continued, with even greater vigor, and so informed the Peiping Mayor and the leaders of the Peiping Anti-Japanese and National Salvation Association. Local members of the anti-Japan organization have pleded themselves to carry on the resistance against Japan, which, they believe and declare, is the only means of "saving the nation." The Peiping Mayor's order issued recently to stop anti-Japanese boycott and other agitations is said to have been actuated by a request from the Japanese of that city, the Chinese papers report.

Death of Gen. Yang Sen at Chengtu

The death is reported from Chengtu of General Yang Sen, Commander of the Fifth Route Army and a member of the Szechuen Provincial Government, following an attack of cancer. The late General Yang Sen led an adventurous life. He came into greatest prominence at the time of the Wanhsien incident in August, 1926, when an alteration occurred concerning British ships which were loading wood-oil. As a result of an alteration with soldiers who boarded the British ships, British gunboats shelled the town. The British naval action was highly successful, but the ensuing British boycott proved highly expensive to the British merchants in China.

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SINO-JAPANESE SHANGHAI AGREEMENT SIGNED—THREE CHIEF FIGURES IN THREE DIFFERENT HOSPITAL

(*Continued from page 350*)

In a statement issued at Nanking, May 6, Dr. Lo said: "It is confidently hoped that in the interests of peace, all the resolutions of the League Assembly bearing on the situation around Shanghai, as well as all the provisions of the Agreement just concluded, will be promptly and fully carried out, and that it will not be necessary as provided in the Agreement and in paragraph 11 of the League resolution of April 30 which was strengthened by an official statement by the President of the Assembly, for the members of the Mixed Commission to call attention to any neglect in the execution of the provisions of the Agreement, including the provision regarding the complete withdrawal of the Japanese forces to positions as before the incident of Japanese 28, 1932."

Dr. K. S. Inui of the Japanese Legation, speaking in an individual capacity, during the week made a statement to the press in which he said that he rejoiced with everyone in the official termination of hostilities. He complimented Mr. Quo Tai and others of the Chinese delegation for their courage and constructive statesmanship under the most difficult and trying circumstances. "Naturally success is due also to the moderation and the spirit of compromise on the part of the Japanese delegates as well. But we should never forget the extremely important and untiring role played by the representatives of the participating friendly Powers and their colleagues," Dr. Inui added.

The *London Times*, coupled a tribute to Mr. Quo Tai-chi, Mr. Shigemitsu and General Uyeda with a good word for British diplomacy, as represented by Sir Miles Lampson, the British Minister who took an active part in effecting a compromise. "It is too soon," comments the *London Times*, "to say that the whole of the Shanghai episode has been liquidated, but a practical modus vivendi has been reached which takes into account the special international character of the great Chinese port and entrepot and which, if properly observed, should render possible a revival of its vast trading operations, without interruption from boycotters and tuchuns."

American Industrialist Suggests Monument at Woosung Forts

George S. Parker, president of the Parker Pen Company, Janesville, Wisconsin, has written a letter to *The Review* in which he pays high tribute to the wonderful defense which the Chinese soldiers put up at Shanghai, and particularly at the Woosung Forts, which he considers one of the great historic events of the age. In this connection Mr. Parker says: "Jesues Christ himself did no more in laying down his life for mankind than the Chinese General and his men did in setting an example of self-sacrifice, laying down their lives as an example to the Chinese youth. It seems to me this is worthy of a monument commemorating this great event. I wrote The Commercial Press commenting on this some time ago, expressing the same sentiments, and told them I would be very glad to contribute $25.00 gold toward a monument to commemorate this event. I would like very much indeed to see China honor the memory of these bravest of brave men. It seems to me you could make popular a movement of this character through *The Review*. If a contribution on my part of $50.00 gold would set it in motion any more quickly, I would be glad to contribute $50.00."

The National City Co. Gold Bond Quotations Received From Head Office

May 5, 1932.

SECURITY	RATE & DATE DUE	Price	Approx Yield %
The National City Bank of New York	Stock	34½	—
Argentine Government	6 % May 1, 1960	49	—
U. S. of Brazil	6½% Oct. 15, 1957	15⅝	—
Canadian National Railway Co.	5 % Oct. 1, 1969	85½	5.94
Chile Government	6 % Sep. 1, 1961	6	—
Republic of Finland	6½% Sep. 1, 1956	49	—
Finnish Gtd. Municipalities "A"	6½% Oct. 1, 1954	39	—
German Central Bank for Agriculture	6 % Apr. 15, 1938	26¼	—
German Central Bank for Agriculture	6 % Oct. 15, 1960	24¾	—
German General Electric (A.E.G.)	6 % May 1, 1948	29	—
Ilseder Steel Corp.	6 % Aug. 1, 1948	26	—
Kingdom of Italy	7 % Dec. 1, 1951	86	8.48
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	2½	—
City of Milan	6½% Apr. 1, 1952	64½	10.80
State of Minas Geraes Series "A"	6½% Sep. 1, 1959	10¼	—
Republic of Peru	6 % Oct. 1, 1961	4	—
Rhine Westphalia Electric Power Corp.	6 % Apr. 1, 1955	24¾	—
State of Sao Paulo (Brazil)	7 % Oct. 1, 1940	58½	—
Saxon Public Works	6½% May 1, 1951	19½	—
American I.G. Chemical Corporation	5½% May 1, 1949	58	11.02
Chicago, Milwaukee, St. Paul & Pacific	5 % Jan. 1, 2000	4½	—
Chile Copper Co.	5 % Jan. 1, 1947	30	—
Goodyear Tire & Rubber	5 % May 1, 1957	63½	8.56
International Match Corporation	5 % Jan. 15, 1941	3½	—
The Mead Corp. w.w.	6 % May 1, 1945	39	—
National Steel Corp.	5 % Apr. 1, 1956	70½	7.72
Japanese Government	6½% Feb. 1, 1954	66¼	10.45
Japanese Government	5½% May 1, 1965	55¾	10.20

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The Development of Aviation in China and the Need for Aerial Law

BY DR. WO-CHIANG LIN (林我將)

(Continued from last u eek)

A ministerial decree of May, 1919 forbids flight over cities and other thickly inhabited communities, except at a height sufficient to enable a safe landing to be made in case of failure of engine. On the whole, the French air law, even those of an earlier date, bears close resemblance to the CINA of 1919. It is interesting to note that the growth of air law in England and France started from different premises. In England, it was called to existence by an act of Parliament in 1911, while in France, in the same year, by administrative decrees.

(3) *Germany.* In some of the German States, as early as 1910, aviators were required to be licensed and to give three days' notice to the police of each intended flight. The latters were to inspect the aircraft before each flight and might prohibit the assent altogether, if they thought the conditions dangerous. They were further forbidden to fly over towns and cities. The Prussian Government, by the decrees of October 1910 and December 1913, established forbidden zones for military reasons, authorized the police to regulate aviation, and accepted the certificates of the German Aviation Society as proof of the skill of the pilots. In 1914 a proposed Imperial Aviation Act was passed by the *Bundesrat* and was sent to the *Reichstag*, but the breaking out of the War prevented its passage. Not long before the War, in 1913 Germany made an agreement with France, defining the respective rights of each to navigate the air over the other's territory. This was the first of its kind. The important terms of the agreement were, that the military aircraft or aircraft carrying officers or soldiers in uniforms could enter only by invitation; and, that private aircraft could enter, except prohibited areas such as fortresses and defenses. Here the agreement followed the well established rules of International Law prohibiting armed forces from entering foreign territory without permission. It should be observed, too, that this agreement was made at a time when the atmosphere of Europe was still full of "the-air-is-free" theories, following the adoption of the principle that aerial circulation is to be free, by the Institute of International Law in 1911.

After the War German aviation labored under great handicaps on account of the harsh conditions imposed on her by the Treaty of Versailles. Under the Treaty Germany not only had to hand over so many aircraft to the allied countries; but, according to Section 5, part XI of the Treaty, had to consent that until January 1923, civil aircraft owned by the Allied and Associated countries could have uncontrolled liberty to fly over and land on the territory and the territorial waters of Germany. *While excluded from the International Air Navigation Convention of 1919, she was, nevertheless, required by article 319 of the Treaty to enforce rules for the regulation of German aircraft flying over German territory in conformity to the Convention.

However, the new German constitution of 1919 gives the Commonwealth jurisdiction over the communication by power-driven vehicles, including the aircraft. At present there is a Department of Air Navigation in the Ministry of Transport, with an Air Council composed of techincians and leaders from the aeronautical industry. The Government also makes provisions of various subdivisions in the Ministry of Transport which deal with international air laws, the technique of flying, experiments and inventions, the administration of experimental stations, radio, meteorological surveys, the licensing of pilots etc. Under government encouragement and subvention aviation in Germany has made tremendous progress in the last few years, despite the international servitude imposed on her at the close of the War. It has turnd out to be a blessing in disguise, as far as aviation is concerned; for Germany, forbidden to develop her army aviation, has bent her entire effort in the promotion of commercial aviation.

*For the international phase of this question see the article by Dr. Alfred Wegerdt, in 2 Zeitschrift fur das Gesamte Luftrecht, 25-49, where he states the German case vis-a-vis the CINA.

Air Legislation in North America.

(4) *The United States.*

In point of time, the United States was not behind the other Western countries in providing for the regulation of air navigation, as far as individual States were concerned. The earliest air legislation was made by the State of Connecticut in 1911. Massachusetts took the same measure in 1913. The Federal or national regulations of air navigation appeared only until 1926, owing to the complication between the States and the Federal Government. The difficulty was mainly on questions of constitutional rights of the two political units—as a result of the system of dual government.

Nevertheless, the Federal Act entitled: Air Commerce Act of 1926, was passed by the Congress in 1926, which gives the Secretary of the Department of Commerce power to make regulations. The Air Commerce Regulations, as issued by the Department of Commerce and amended up to date, consists of eight chapters, covering: licensing of aircraft, inspection of aircraft, operations of aircraft, marking of licensed and unlicensed aircraft, licensing of pilots, licensing of mechanics, air-traffic rules and, lastly, miscellaneous subjects.

The Federal act came after much struggle against and for Federal legislation, on the part of States and jurists, and propositions by various organizations as to what nature and scope this law should be. It took the Congress almost four years, since the bill was first introduced to the Senate, to pass the act. Some of the questions at issue then were: Can the States take exclusive control of aviation? or, Can the Federal Government take exclusive control? Can there be a concurrent control by both the Nation and the States? Those who were in favor of Federal control soon found themselves confronted with another set of constitutional problems not less formidable. As the power of Congress is derived from the Federal Constitution, the power of Congress to regulate aircraft must be found in the Constitution. Thus for a time American jurists and statesmen dipped into the Constitution to find the enabling clause. Was this power, they asked, to be found in the *Admiralty clause* in chapter 3, section 2 of the Constitution, for instance; or, was it vested in the *War Powers, Treaty-Making Power* of the Congress, to be found elsewhere in the Constitution? Finally, they lighted upon Ch. 1, Sec. 8 of the Constitution. Here the Constitution says that the Congress shall have Power: "to regulate Commerce with Foreign Nations, and among the several States, and with the Indian Tribes." This is the famous *Interstate Commerce clause* on which the Federal Government depended, likewise, to solve the difficulty and confusion of conflicting State legislations on rail transportation since 1887.

Space does not permit of an extensive discussion on the nature and scope of the Air Commerce Act of 1926, a passage or two from R. E. Williams who wrote (75 U. of Penna. L. Rev. 1926) at the time when the Act was passed by Congress will supplement what has been described above:

> "(In this Act) Registration is provided for on conditions similar to those outlined in the International Air Navigation Convention and is mandatory for aircraft engaged in commercial flight if any of the transportations is interestate or international and for aircraft undertaking interstate flight in the furtherance of or to operate in the conduct of a business. . . .
>
> "Enforcement of the Act has been provided by penalties imposed in a manner similar to the administrative means used in the enforcement of customs and navigation laws. Penalties are to be collected by proceedings. Air navigation facilities and equipment are provided for and placed under the supervisions of the Department of Commerce. . . ." And commenting on the source of Congressional authority, the same writer says: "The long awaited enactment has, by its distinctions, based Congressional

authority to act upon the Commerce clause of the Constitution."

Before leaving the subject on the air legislation of the United States it may be desirable to stress the chief reason advocated by those who were in favor of a National law governing aeronautical activities. In urging for Federal enactment, Senator Bingham reported to the Senate on December 14, 1925, saying:

> The effect of unregulated flying in the United States has been investigated by the Aeronautical Chamber of Commerce and reported in its yearbooks. Its yearbook for 1925 calls attention to the fact that since armstice more than 300 persons have been killed and 500 injured in flying accidents which could have been prevented had there been in existence and enforced a statute regulating the operations of commercial aircraft in interestate commerce."

In this report (Senate Report, No. 2, 69th. Congress) the Senator points out that the Army, due to strict regulation, had been able to fly more than 900,000 miles in the past three years across country, in planes sometimes referred to as "flying coffins," without a single causualty On the other hand, about 1,000,000 miles were flown by itinerant and commercial aviators in 1924, in planes they used voluntarily, which resulted in 75 fatalities and 91 injuries; a ratio of 1 fatality for every 13,500 miles as compared with the record of air mail in the same year of 1 for every 463,000 miles. Both the army and mail use only planes and pilots approved by the Federal authority. The inference for *regulated* and *unregulated* flying as revealed by the above statistics is obvious.

Air Legislation in Central and South America.

(5) *The Latin American States.*

As there are some twenty republics in Central and South America, and practically every one of them has its air navigation law or code, somewhat resembling one another, a few general remarks about them will suffice. Of these countries Venezuela legislated in 1920. Excepting the Republic of Panama, which stands for "the-air-is-free" principle, the rest of them invariably declare sovereignty over the airspace within the jurisdiction of their territory and territorial waters. For example, Argentine in an executive decree of 1925, provides that pending the regulation of the right of aerial navigation by Congress:

> "It is necessary to exercise the national sovereignty, exclusively of every other sovereign State, over the airspace within our boundaries and jurisdictional waters."

Brazil and Chile made similar declarations in their decrees in 1925; and, Cuba, in 1928. Venezuela went farther, and claimed the right to regulate the flying and landing of aircraft over its territory, in the decree referred to above.

(To be Continued)

Latest New York Stock Exchange Quotations

Market Irregular Business Done 700,000 Shares

May 11, 1932.

1931 High	1932 Low	Div.$ per Sh.	STOCKS	Mon. May. 9	Tues. May.10
23½	2⅜	—	Adams Express	2⅜	2½
182¾	52½	*6.00	Allied Chemical & Dye	54⅛	55
42¾	6¼	.50	Allis Chalmers	Unq.	6¼
129¾	36¾	*4.00	American Can	39¾	40⅛
51¾	2⅜	—	Amer. & Foreign Power	3½	Unq.
31½	1¼	—	Amer. & For. Power W.	Unq.	2
58½	7⅞	—	American Smelting	9⅜	9
201¾	96¾	9.00	American Tel. & Tel.	99	99⅞
132¾	64	*5.00	American Tobacco "B"	69¼	68½
80¾	18⅛	3.00	American Waterworks	20⅜	20
43¼	4½	—	Anaconda Copper	5⅛	5⅛
295½	30¼	*4.00	Auburn Automobiles	35¾	36¾
87⅞	6¾	—	Baltimore & Ohio	7⅛	6¾
70⅜	12⅛	—	Bethlehem Steel	14	13⅝
76½	27	*3.00	Borden Company	29	30
30¾	5	1.00	Borg Warner	Unq.	5½
45¾	10⅝	1.25	Canadian Pacific Railway	11⅞	11¾
131½	20⅜	—	Case J. I.	23⅝	23
102	28¾	3.00	Chase Bank	29½	30½
54⅛	6½	3 00	Chesapeake Corp.	9	8⅞
25¾	8¼	1.00	Chrysler	8½	8¾
20¾	3¾	.30	Cities Service, Co.	3⅞	4
45⅝	6⅞	1.50	Columbia Gas & Electric	7⅞	8⅛
12	2¼	.30	Common wealth &Southern	2⅝	2¾
2¾	¼	—	„ „ warr.	5/16	5/16
109⅝	48⅝	4.00	Consolidated Gas. of N.Y.	50¾	50
12	4⅝	—	Continental Oil	4⅞	5
86⅝	29⅞	*3.00	Corn Products	34½	36
5⅞	⅞	—	Curtiss Wright Co.	1⅛	1¼
78¾	34¾	4.00	Drug Incorporated	38⅛	38⅝
107	27¾	4.00	Du Pont de Nemours	30	30¾
185¾	44½	5.00	Eastman Kodak	44½	45¼
61	10⅝	6% S	Electric Bond & Share	12½	12⅜
60¾	6	1.00	Electric Power & Light	7	7⅛
38⅜	2	—	Fox Film "A"	2⅛	2⅛
54¾	13¼	1 00	General Electric	14⅜	14⅜
56	28½	3.00	General Foods	31¼	31⅝
48	10⅛	1.00	General Motors	11⅛	11½
84⅛	12¼	3.00	General Railway Signal	13	13¼
38¾	9¼	1.00	Gillette	14½	14¾
42½	11⅝	1.60	Gold Dust	12½	12¾
20⅞	3	—	Goodrich Rubber	Unq.	3½
52¾	9⅛	—	Goodyear Tire & Rubber	11	11⅛
62½	7½	2.00	International Cement	Unq.	8½
4	½	—	International Combu. Eng.	¾	⅝
60½	16⅛	1.80	International Harvester	17½	18
20⅛	5⅛	—	International Nickel	5⅜	5⅝
38¾	4¾	—	International Tel. & Tel.	5⅜	5¼
80¾	10⅝	—	Johns Manville	12⅞	13
31½	5½	—	Kennecott	7¼	7¼
27¾	⅛	1.61	Kreuger & Toll	¼	¼
91¾	40	*4.00	Liggett & Myers, "B"	48½	49¾
63¼	21	*3.00	Loew's: Inc.	23	23⅛
21⅞	10	1.20	Lorillard P. Co. (com.)	13½	14
19	1½	—	Ludlum Steel	Unq.	Unq.
29¼	6⅝	—	Montgomery Ward	7	7
108½	34	3.00	Nash Motors	33	34
14¾	2¾	—	National City Bk. bid price	3½	3⅝
132¼	13⅝	—	Nevada Consolidated Co.	14¼	14¼
90¼	22¼	10%S	North American Aviation	24	24¼
54⅞	25½	2.00	Pacific Gas & Electric	26⅜	26½
11⅞	2¼	—	Packard Motors	2½	2¼
50¼	2⅞	—	Paramount—Publix. Corp.	2⅞	2⅞
64	10¼	—	Pennsylvania Railroad	10¼	10½
8½	1¾	—	Pennroad Corporation	1¾	1¾
16⅝	3¾	—	Phillips Petroleum	4	4
96	39¾	3.40	Public Service of N.Jersey	43⅞	44⅞
27½	3¾	—	Radio Corporation	4⅛	4
24½	2¾	—	Radio-Keith Orpheum	Unq.	Unq.
54½	31⅝	3.00	Reynolds Tobacco "B"	32	32⅛
63¼	15¼	2.50	Sears Roebuck	17⅜	17½
10¼	2½	—	Shell Union	3⅛	3⅛
23⅜	4¾	—	Simmons Company	4¾	4¾
26½	8	.80	Socony-Vacuum Corp.	8⅜	8½
54½	23¼	2.00	SouthernCaliforniaEdison.	24⅞	24¾
88¾	14¾	3 50	Standard Gas & Electric	16¼	16½
54½	20¼	*1.00	Standard Oil of N. Jersey	25¼	25⅝
26¼	9⅞	1 00	Texas Corporation	11	11⅜
55¾	16¼	2.00	Texas Gulf Sulphur	18	18¼
18	2	—	Trans America	3¼	3¼
72	17⅛	2.00	Union Carbide & Carbon	18¾	19
205⅛	49	10.00	Union Pacific Railway	52½	52⅝
38⅞	9¾	—	United Aircraft & Trans.	10½	10⅜
31¼	5¼	.40	United Corporation	6½	6¼
37½	15	1.20	United Gas Improvement	17	17
20⅜	3	—	U.S. Rubber	3½	3½
152¾	27⅝	—	U.S. Steel	29⅞	29¾
76¾	7	—	Vanadium	8⅜	8⅝
20⅜	1¼	—	Westinghouse E. & M.	1½	1¼
107¾	19⅞	1.00	Woolworth	24¾	24½
72⅝	32⅜	2.40		33	32½

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